

the National Youth Administration; to the Committee on Appropriations.

6999. Also, petition of Local 802, American Federation of Musicians, New York City, concerning appropriation for Work Projects Administration music projects; to the Committee on Appropriations.

7000. Also, petition of the New York Board of Trade, Inc., New York City, concerning the Walter-Logan bill (H. R. 6324); to the Committee on the Judiciary.

7001. Also, petition of the Eastern New York State Advisory Board, General Welfare Federation of America, Inc., concerning national old-age pension; to the Committee on Ways and Means.

7002. Also, petition of the Community Councils of the City of New York, Inc., concerning pending sugar legislation and for the protection of the jobs of the sugar-refinery workers of New York City; to the Committee on Foreign Affairs.

7003. Also, petition of Mrs. William Hays Lawrence, president of the Illuminati, cultural women's club of Brooklyn, N. Y., concerning sugar legislation and the protection of the jobs of the Brooklyn, N. Y., sugar-refinery workers; to the Committee on Foreign Affairs.

7004. Also, petition of the New York Board of Trade, New York City, favoring sugar legislation that will protect the jobs of the sugar-refinery workers of New York; to the Committee on Foreign Affairs.

7005. By Mr. PFEIFER: Petition of the International Association of Bridge, Structural, and Ornamental Iron Workers, Local Union No. 361, Brooklyn, N. Y., urging support of the Wagner-Steagall housing bill (S. 591); to the Committee on Banking and Currency.

7006. Also, petition of the Wood, Fire, and Metal Lathers' International Union, Local No. 46, New York City, urging the passage of the Wagner-Steagall bill (S. 591); to the Committee on Banking and Currency.

7007. Also, petition of the Women's International League for Peace and Freedom, New York City, concerning alien and sedition bills and war referendum; to the Committee on Immigration and Naturalization.

7008. Also, petition of the Roosevelt Republican Club, Brooklyn, N. Y., protesting against the importation of tropically refined sugar; to the Committee on Foreign Affairs.

7009. Also, petition of the Queens Village Democratic Club, Queens Village, N. Y., protesting against the importation of tropically refined sugar; to the Committee on Foreign Affairs.

7010. Also, petition of the North Lindenhurst Civic Association, Inc., Lindenhurst, Long Island, N. Y., urging continuation of the present Sugar Act to protect the jobs of the thousands employed in the Brooklyn sugar refineries; to the Committee on Foreign Affairs.

7011. Also, petition of the Lane Democratic Club, Inc., Brooklyn, N. Y., protesting against the importation of tropically refined sugar; to the Committee on Foreign Affairs.

7012. Also, petition of the Grand Lodge, Brotherhood of Railroad Trainmen, Cleveland, Ohio, urging defeat of Senate bill 2009 unless it contains the Harrington amendment; to the Committee on Interstate and Foreign Commerce.

7013. By Mr. RICH: Petition of the Woman's Foreign Missionary Society of Montoursville, Pa., protesting against the shipment of war materials to Japan; to the Committee on Foreign Affairs.

7014. By Mr. PFEIFER: Petition of the New York Board of Trade, Inc., New York City, requesting no change in the new Sugar Act; to the Committee on Foreign Affairs.

7015. Also, petition of the National Federation of Post Office Motor Vehicle Employees, Local No. 20, Flushing, N. Y., urging support of House bill 4098 and other bills beneficial to employees in the Motor Vehicle Service; to the Committee on the Post Office and Post Roads.

7016. Also, petition of the New York Board of Trade, Inc., New York City, concerning the Walter-Logan bill (H. R. 6324); to the Committee on the Judiciary.

7017. Also, petition of William Feinberg, secretary, Local 802, American Federation of Musicians, New York City, op-

posing any reduction in appropriation for Work Projects Administration music projects; to the Committee on Appropriations.

7018. By Mr. SCHIFFLER: Petition of G. Stanley Hamric, adjutant of the American Legion, Department of West Virginia, at a post officers' area conference of posts of the American Legion, Department of West Virginia, from Wheeling, Moundsville, McMechen, Weirton, Cameron, Hundred, New Martinsville, Wellsburg, Follansbee, Benwood, Pine Grove, Weston, Buckhannon, Clarksburg, Lumberport, West Union, Shinnston, Gassaway, Salem, Parkersburg, Spencer, Point Pleasant, Glenville, Middlebourne, Elizabeth, Sistersville, St. Marys, Grantsville, Pennsboro, Ripley, and Ravenswood, at Sistersville, W. Va., urging the passage of Senate bill 3060 or House bill 7618, for the acquiring of additional ground for the national cemetery at Grafton, W. Va.; to the Committee on Military Affairs.

7019. By Mr. SCHWERT: Resolution of Buffalo Lodge, No. 1071, International Association of Machinists, Buffalo, N. Y., expressing unanimous opposition to the St. Lawrence seaway and power project; to the Committee on Foreign Affairs.

7020. By Mr. VAN ZANDT: Petition of the Blair County Central Labor Union, Altoona, Pa., advocating the passage of House bill 2001 over the President's veto; to the Committee on the Post Office and Post Roads.

7021. By the SPEAKER: Petition of the American Committee for Protection of Foreign Born, fourth annual conference, Hotel Annapolis, Washington, D. C., petitioning consideration of their resolution with reference to antialien bills; to the Committee on the Judiciary.

7022. Also, petition of the Automobile Dealers Association of Alabama, Birmingham, Ala., petitioning consideration of their resolution with reference to the proposed Patman bill; to the Committee on Interstate and Foreign Commerce.

7023. Also, petition of the Brentwood Mine and Mill Workers Union, Brentwood, Calif., petitioning consideration of their resolution with reference to United States Housing Authority; to the Committee on Banking and Currency.

7024. Also, petition of Philadelphia Bourse, Philadelphia, Pa., petitioning consideration of their resolution with reference to Federal sugar legislation; to the Committee on Agriculture.

7025. Also, petition of the Utility Workers Organizing Committee, Bay City, Mich., petitioning consideration of their resolution with reference to the antialien bills to the Committee on Immigration and Naturalization.

7026. Also, petition of the Steel Workers Organizing Committee, Cleveland, Ohio, petitioning consideration of their resolution with reference to House bill 3331 and Senate bill 1032, establishing guarantees of collective bargaining in Government contracts; to the Committee on the Judiciary.

## SENATE

TUESDAY, MARCH 19, 1940

(Legislative day of Monday, March 4, 1940)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. ZēBarney T. Phillips, D. D., offered the following prayer:

O Thou who art the ruler of the world's destiny, draw us closer, hour by hour, within the folds of the divine-human mystery of this Holy Week, with its consummate tragedy of Christ upon the cross, dying that we might live. Grant to each one of us the Christlike spirit with its youthful, noble ideals of service, with its genuine desire to help men and to give up many things for the common good, lest when life goes on, and the flame dies down, prudence usurp the throne of adventure, and mediocrity find complacency more comfortable than the challenge of a great enterprise.

God of our fathers, help us, we beseech Thee, to realize that though men may be made heroic by the plaudits of a

sympathetic crowd, it takes men of far finer stuff to be heroes amid the jeers of the very people whom they set out to serve with complete self-sacrifice.

Give us at once, dear Lord, the humility and the courage to follow only Thee in our ministry of service, even up to Calvary's hill, where we will wait and worship in the darkness till the shadows flee away and our world emerges into the light of love and peace.

In Thy holy name and for Thy sake, we ask it. Amen.

#### THE JOURNAL

On request of Mr. MINTON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, March 18, 1940, was dispensed with, and the Journal was approved.

#### MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that on March 18, 1940, the President had approved and signed the following acts:

S. 1998. An act for the relief of Ernestine Huber Neuheller;

S. 2284. An act to amend the act of May 4, 1898 (30 Stat. 369), so as to authorize the President to appoint 100 acting assistant surgeons for temporary service;

S. 2299. An act for the relief of Hubert Richardson;

S. 2500. An act authorizing the Comptroller General of the United States to settle and adjust the claims of Mary Pierce and John K. Quackenbush; and

S. 2607. An act authorizing the Comptroller General of the United States to settle and adjust the claim of Edith Easton and Alma E. Gates.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed the following bills of the Senate, each with amendments, in which it requested the concurrence of the Senate:

S. 1398. An act to amend the act entitled "An act to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States; to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes," approved June 15, 1917, as amended, to increase the penalties for peacetime violations of such act; and

S. 1759. An act granting the consent of Congress to the States of Montana, North Dakota, and Wyoming to negotiate and enter into a compact or agreement for division of the waters of the Yellowstone River.

The message also announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 952. An act for the relief of Indians who have paid taxes on allotted lands for which patents in fee were issued without application by or consent of the allottees and subsequently canceled, and for the reimbursement of public subdivisions by whom judgments for such claims have been paid;

H. R. 1788. An act to confirm title to certain railroad lands located in the county of Kern, State of California;

H. R. 5477. An act for the benefit of the Indians of the Crow Reservation, Mont., and for other purposes;

H. R. 6767. An act to provide additional compensation for employees killed or injured while performing work of a hazardous nature incident to law-enforcement activity, and for other purposes;

H. R. 7421. An act to provide for terms of the District Court of the United States for the Western District of Arkansas at Fayetteville;

H. R. 7643. An act to facilitate and simplify national-forest administration;

H. R. 7737. An act to amend the Judicial Code by adding a new section thereto, designated as section 266a, to provide for intervention by States in certain cases involving the validity of the exercise of any power by the United States, or any agency thereof, or any officer or employee thereof, and for other purposes;

H. R. 8024. An act to provide for the leasing of restricted allotments of deceased Indians in certain circumstances, and for other purposes;

H. R. 8450. An act to extend for 5 additional years the reduced rates of interest on Federal land bank and land bank commissioner loans;

H. R. 8499. An act relating to adoption of minors by Indians;

H. R. 8537. An act to provide for the enlargement of the Coast Guard depot at Seattle, Wash., and for the establishment of a Coast Guard servicing base at or near Chattanooga, Tenn.;

H. R. 8540. An act to authorize an increase in the White House police force;

H. R. 8702. An act to amend the Judicial Code with respect to the continuation of grand juries to finish investigations;

H. R. 8822. An act to extend original jurisdiction to district courts in civil suits between citizens of the District of Columbia, the Territories of Hawaii or Alaska, and any State or Territory; and

H. J. Res. 437. Joint resolution authorizing the President of the United States of America to proclaim Citizenship Day for the recognition, observance, and commemoration of American citizenship.

#### ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 4868. An act to amend the act authorizing the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes; and

H. R. 8068. An act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1941, and for other purposes.

#### CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Donahey	Lee	Schwollenbach
Ashurst	Downey	Lodge	Sheppard
Austin	Ellender	Lucas	Shipstead
Bailey	Frazier	Lundeen	Smathers
Bankhead	George	McCarran	Smith
Barbour	Gerry	McKellar	Stewart
Barkley	Gibson	McNary	Taft
Bilbo	Gillette	Maloney	Thomas, Idaho
Bone	Green	Mead	Thomas, Okla.
Bridges	Guffey	Miller	Thomas, Utah
Brown	Gurney	Minton	Tobey
Bulow	Hale	Murray	Townsend
Byrd	Harrison	Neely	Tydings
Byrnes	Hatch	Norris	Vandenberg
Capper	Hayden	Nye	Van Nuys
Caraway	Herring	O'Mahoney	Wagner
Chandler	Hill	Pepper	Walsh
Chavez	Holman	Pittman	Wheeler
Clark, Idaho	Holt	Radcliffe	White
Clark, Mo.	Hughes	Reed	Wiley
Connally	Johnson, Calif.	Reynolds	
Danaher	Johnson, Colo.	Russell	
Davis	La Follette	Schwartz	

Mr. MINTON. I announce that the Senator from Utah [Mr. KING] and the Senator from Louisiana [Mr. OVERTON] are absent from the Senate because of illness.

The Senator from Florida [Mr. ANDREWS], the Senator from Nebraska [Mr. BURKE], the Senator from Illinois [Mr. SLATTERY], and the Senator from Missouri [Mr. TRUMAN] are detained on important public business.

The Senator from Virginia [Mr. GLASS] is unavoidably detained.

The VICE PRESIDENT. Eighty-nine Senators have answered to the roll call. A quorum is present.

#### GEORGE R. MORRIS—VETO MESSAGE (S. DOC. NO. 166)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was



read and, with the accompanying bill, referred to the Committee on Claims and ordered to be printed:

*To the Senate:*

I am returning herewith, without my approval, S. 263, "for the relief of George R. Morris."

It is the purpose of the bill to make a legislative determination of certain facts in respect to the claim for compensation filed by George R. Morris under the Federal Employees' Compensation Act on account of an injury sustained by him on November 9, 1936, while in the employ of the Works Progress Administration. The record in this case shows that the claim for compensation was duly filed with the Employees' Compensation Commission. The Commission, under existing law, has continuing jurisdiction over the claim and may at any time, on its own motion or on application, review its decision denying the benefits of the compensation law in this case and, in accordance with the facts found on such review, may award compensation or take such further action as may be authorized by law.

I am informed that the Commission, acting under this authority of law, has, since the enactment of this measure, reviewed the record in this case and has found that the decision denying compensation benefits on the ground that the injury occurred while the employee was proceeding to his work, failed to take into account the fact that he was in a pay status at the time. This decision, made under a mistake of fact, has accordingly been rescinded and the claim has been approved.

In view of such administrative action, approval of the bill appears unnecessary.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, March 18, 1940.

APPOINTMENT OF CERTAIN DEPUTY BUREAU HEADS UNDER CIVIL-SERVICE LAWS

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Interior, transmitting a draft of proposed legislation to provide that assistant or deputy heads of certain bureaus in the Department of the Interior shall be appointed under the civil-service laws, and for other purposes, which, with the accompanying paper, was referred to the Committee on Civil Service.

AMERICAN-PHILIPPINE RELATIONS—WAR CONDITIONS

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Interior, transmitting copy of resolution No. 37, adopted by the Philippine National Assembly on September 6, 1939, and copy of a message of the President of the Philippines delivered on September 5 before the assembly, both documents relating to American-Philippine relations in the face of war conditions existing abroad, which, with the accompanying papers, was referred to the Committee on Territories and Insular Affairs.

MOUNT RUSHMORE NATIONAL MEMORIAL COMMISSION

The VICE PRESIDENT laid before the Senate a letter from the secretary of the Mount Rushmore National Memorial Commission, Keystone, S. Dak., transmitting, pursuant to law, a report of the Commission for the 6-month period from June 1, 1939, to December 31, 1939, inclusive, with related reports, which, with the accompanying papers, was referred to the Committee on the Library.

PETITIONS

The VICE PRESIDENT laid before the Senate a resolution adopted by the sixtieth annual St. Patrick's Day celebration, held under the auspices of the Ancient Order of Hibernians in America, at Chicago, Ill., requesting that the United States use its good offices to effect the withdrawal of the British Army and Government from northeast Ireland so as to restore the territorial integrity of the Irish Nation, which was referred to the Committee on Foreign Relations.

He also laid before the Senate the petition of the board of directors of the Business Women's Legislative Council of California, favoring prompt adoption of the so-called equal rights amendment to the Constitution, which was referred to the Committee on the Judiciary.

EXPLOSION IN THE CONSOLIDATED SCHOOL AT NEW LONDON, TEX.

Mr. SHEPPARD. Mr. President, I ask leave to have inserted in the RECORD a letter addressed to me by Secretary of Agriculture Wallace relative to the investigation by his Department of the explosion in the Consolidated School at New London, Tex.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEBRUARY 29, 1940.

HON. MORRIS SHEPPARD,

United States Senate, Washington, D. C.

DEAR SENATOR SHEPPARD: In reply to your letter of February 14 with reference to the investigation by this Department of the explosion in the Consolidated School at New London, Tex., your recollection that the investigation was made at the request of Governor Allred and other Texas officials, including Senator CONNALLY and yourself, is correct and in accord with the facts. That explosion occurred in a rural community school building and resulted in the death of 276 boys and girls and 17 teachers—a total of 293 lives lost.

The explosion occurred about 3:10 p. m. on March 18, 1937, and on March 19 the Department received two telegrams from Gov. James V. Allred asking for assistance in the investigation of the cause of the explosion, and further whether an expert from the Department could be sent by plane that afternoon to meet personal representatives of the Governor at Dallas. The Department complied with the request of Governor Allred and the other Texas officials, and sent Dr. David J. Price, Chief of the Chemical Engineering Research Division of the Bureau of Chemistry and Soils, to assist the Texas authorities in the investigation. State Fire Marshal Marvin Hall met Dr. Price in Dallas and they joined the military commission in charge of the State's investigation at New London. The Department specialist was able to assist the commission in determining the cause and circumstances under which the explosion occurred.

The findings of the Department, together with recommendations for precautionary measures for the prevention of similar occurrences, were sent in a telegraphic report to Governor Allred on March 29, 1937. Governor Allred wired immediately his appreciation of the report and assistance rendered by the Department. This preliminary report was inserted by you in the CONGRESSIONAL RECORD for Tuesday, March 30, 1937, and appears on pages 3665 and 3667. Congressman Morgan G. Sanders, of the Third Texas District, also inserted this report in the CONGRESSIONAL RECORD for Thursday, April 1, 1937, pages 3877 and 3891.

The final complete report of the investigation by the Department was forwarded to Governor Allred on April 14, 1937, and copies were mailed at the same time to Vice President GARNER, Senator CONNALLY, and yourself. Upon receipt of this report, Governor Allred, under date of April 17, 1937, again expressed the "deep appreciation we feel of the fine assistance and cooperation your Department extended in the New London disaster." In his letter the Governor stated further that "the conclusions arrived at and suggestions made will be of great value in preventing any similar tragedies in the future and will help us immensely in preparing proper legislation."

The report was published in complete form as Senate Document No. 56 (75th Cong., 1st sess.). The report has been widely distributed and the Department feels that the precautionary measures developed and recommended as the result of its investigation have been instrumental in the prevention of explosions of this character in school buildings and similar institutions in rural communities.

With reference to your inquiry as to what effect the elimination by the House of the \$30,000 for research on agricultural dust explosions and fire prevention will have, I wish to advise that it will mean the complete discontinuance of these investigations, for the Department will have neither the funds nor the authority to engage further in this research. This means the discontinuance of investigations relating to dust explosions and fires in grain elevators and other plants handling agricultural products, as well as the work to develop methods for providing protection against this hazard.

This research work is designed to provide authoritative information for the farmer on all phases of explosion and fire prevention and protection. It is the only agency in the Department where such information is available. If the Department is compelled to terminate this research work, it will not be possible to study the following major problems which we are being called upon to handle:

(1) Development of safety measures for prevention of dust explosions and fires in country (rural) grain-handling plants: The Department has accepted leadership in the work of a national committee recently organized to develop methods of providing protection against dust explosions and fires in country grain-handling plants. There are approximately 10,000 of these rural plants with a capital investment of more than \$450,000,000. These combined country elevators and feed-grinding plants are largely owned and operated by farmers' cooperative organizations, and these groups look to the Department for help in reducing the dust-explosion hazard. The losses have been estimated at \$3,000,000 annually. The work is being carried on in cooperation with the National Grain Trade Council, the Country Grain Elevator Association, the National Fire Protection Association, and other interested agencies.

(2) Development of methods for applying air suction for the removal of explosive dust from grain shipments: The Department is cooperating with the Terminal Grain Elevator Weighmasters' Association, Terminal Grain Elevator Merchants' Association, National Fire Protection Association, dust-collection equipment manufacturers, and other interested organizations in the development of suitable equipment, apparatus, and methods for applying air suction in grain-handling plants which will provide adequate protection against the dust-explosion hazard and at the same time guard against any abuses which might affect grain weights. Recent explosions in grain bins require immediate investigation to determine the possibility of such explosions being caused by electrification of dust clouds while grain is entering storage bins. Losses of life and property from dust explosions in terminal grain elevators cannot be reduced until these methods are developed. Fifty-six grain-elevator explosions have been reported since 1930. Forty persons were killed and 145 were injured in these explosions, and the property losses amounted to more than \$7,500,000. These 56 explosions were approximately 36 percent of the total number of explosions reported during that period.

(3) Development of effective grounding system for fire prevention in all-metal cotton-ginning plants: The demands on the Department for information on grounding systems for the removal of static electricity from all-metal cotton gins in all-metal buildings have emphasized the urgent need for additional work on fire prevention in cotton-ginning operations, particularly the dry regions of Texas, Oklahoma, and the Southwest.

(4) Development of effective measures for protection of firemen against dust explosions during fire-fighting operations in plants handling agricultural products: Firemen in rural districts are calling upon the Department for help in developing farm and rural fire departments and for advice and assistance in fighting fire during the handling and storage of farm products.

The International Association of Fire Fighters, the International Association of Fire Chiefs, State associations of volunteer and rural firemen, and many other fire-fighting organizations are continually calling upon the Department for assistance, instruction, and advice on the development and adoption of safe methods of fire fighting where the dust-explosion possibilities are a serious hazard to firemen. Many firemen have been killed or seriously injured from explosions while engaged in fighting fires in plants handling agricultural products.

I hope this will answer your inquiries, both as to the effect which the House action will have on this research work and also give you the facts that resulted in the Department's investigation of the New London school explosion. Copies of the complete correspondence are on file and will be sent you if you desire.

Sincerely,

H. A. WALLACE, Secretary.

#### REPORTS OF THE COMMITTEE ON COMMERCE

Mr. BAILEY, from the Committee on Commerce, to which was referred the bill (H. R. 6751) to repeal certain laws with respect to manifests and vessel permits, reported it without amendment and submitted a report (No. 1328) thereon.

He also, from the same committee, to which was referred the resolution (S. Res. 231) favoring the deletion from the Sixteenth Census population schedule of inquiries Nos. 32 and 33, relating to compensation received (submitted by Mr. TOBEY on February 7, 1940), reported it with an amendment and submitted a report (No. 1329) thereon.

#### BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McCARRAN:

S. 3620. A bill to provide for Federal cooperation with the States in the development of aircraft landing areas adequate to provide for the national defense, the postal service, and civil aeronautics; to the Committee on Commerce.

By Mr. BARBOUR:

S. 3621. A bill to provide for reimbursing the city of Hoboken, N. J., for the loss of taxes on certain property owned by the United States and known as the Hoboken Terminal; to the Committee on Commerce.

By Mr. WHEELER:

S. 3622. A bill authorizing the issuance of patents in fee to Bert Kennerly for land allotted to him on the Blackfoot Indian Reservation, Mont.; to the Committee on Indian Affairs.

By Mr. SHIPSTEAD:

S. 3623. A bill to amend the act of August 27, 1935 (49 Stat. 2194), and for other purposes; and

S. 3624. A bill authorizing a per capita payment of \$12.50 each to the members of the Red Lake Band of Chippewa Indians of Minnesota; to the Committee on Indian Affairs.

By Mr. CONNALLY:

S. 3625. A bill for the relief of W. J. Hance; to the Committee on Claims.

By Mr. GREEN:

S. 3626. A bill for the relief of Daniel B. Golden; to the Committee on Military Affairs.

By Mr. DOWNEY:

S. 3627. A bill to amend the Panama Canal Act; to the Committee on Inter-oceanic Canals.

S. 3628. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claims of Ben White, Arch Robinson, Lee Wells, W. S. Wells, A. J. McLaren, A. D. Barkelew, Oscar Clayton, R. L. Culpepper, W. B. Edwards, the estate of John McLaren, the estate of C. E. Wells, and the estate of Theodore Bowen; to the Committee on Claims.

By Mr. JOHNSON of Colorado:

S. 3629. A bill to provide for the use of 20 percent of the grazing receipts from national forests for the making of range improvements within such forests; to the Committee on Public Lands and Surveys.

(Mr. LODGE introduced Senate bill 3630, which was referred to the Committee on Education and Labor, and appears under a separate heading.)

By Mr. PEPPER:

S. 3631. A bill authorizing the naturalization of Alvina Pryor and James F. Pryor; to the Committee on Immigration.

S. 3632. A bill to provide for the establishment of the Fort Caroline National Monument in Duval County, Fla.; to the Committee on Public Lands and Surveys.

By Mr. SHEPPARD:

S. 3633. A bill to amend section 24e, National Defense Act, as amended, so as to eliminate the requirement of 2 years' practice for eligibility for appointment in the Dental Corps; to the Committee on Military Affairs.

By Mr. McKELLAR (for himself, Mr. STEWART, Mr. GEORGE, and Mr. RUSSELL):

S. 3634. A bill to provide for flood-protection works at Chattanooga, Tenn., and Rossville, Ga.; to the Committee on Commerce.

#### HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and a joint resolution were severally read twice by their titles and referred, or ordered to be placed on the calendar, as indicated below:

H. R. 952. An act for the relief of Indians who have paid taxes on allotted lands for which patents in fee were issued without application by or consent of the allottees and subsequently canceled, and for the reimbursement of public subdivisions by whom judgments for such claims have been paid;

H. R. 5477. An act for the benefit of the Indians of the Crow Reservation, Mont., and for other purposes;

H. R. 8024. An act to provide for the leasing of restricted allotments of deceased Indians in certain circumstances, and for other purposes; and

H. R. 8499. An act relating to adoption of minors by Indians; to the Committee on Indian Affairs.

H. R. 1788. An act to confirm title to certain railroad lands located in the county of Kern, State of California; to the Committee on Public Lands and Surveys.

H. R. 6767. An act to provide additional compensation for employees killed or injured while performing work of a hazardous nature incident to law-enforcement activity, and for other purposes; to the Committee on Education and Labor.

H. R. 7643. An act to facilitate and simplify national-forest administration; to the calendar.

H. R. 8450. An act to extend for 5 additional years the reduced rates of interest on Federal land bank and land bank commissioner loans; to the Committee on Banking and Currency.

H. R. 8537. An act to provide for the enlargement of the Coast Guard depot at Seattle, Wash., and for the establishment of a Coast Guard servicing base at or near Chattanooga, Tenn.; to the Committee on Commerce.



H. R. 8540. An act to authorize an increase in the White House police force; to the Committee on Public Buildings and Grounds.

H. R. 7421. An act to provide for terms of the District Court of the United States for the Western District of Arkansas at Fayetteville;

H. R. 7737. An act to amend the Judicial Code by adding a new section thereto, designated as section 266a, to provide for intervention by States in certain cases involving the validity of the exercise of any power by the United States, or any agency thereof, or any officer or employee thereof, and for other purposes;

H. R. 8702. An act to amend the Judicial Code with respect to the continuation of grand juries to finish investigations;

H. R. 8822. An act to extend original jurisdiction to district courts in civil suits between citizens of the District of Columbia, the Territories of Hawaii or Alaska, and any State or Territory; and

H. J. Res. 437. Joint resolution authorizing the President of the United States of America to proclaim Citizenship Day for the recognition, observance, and commemoration of American citizenship; to the Committee on the Judiciary.

#### AMENDMENT TO INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. CLARK of Idaho submitted an amendment proposing to increase the appropriation for the control of predatory animals and injurious rodents from \$675,000 to \$1,000,000, intended to be proposed by him to House bill 8745, the Interior Department appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

#### AMENDMENTS TO AGRICULTURAL DEPARTMENT APPROPRIATION BILL

Mr. DOWNEY submitted an amendment intended to be proposed by him to House bill 8202, the Agricultural Department appropriation bill, 1941, which was ordered to lie on the table and to be printed, as follows:

On page 45, line 14, in lieu of the figure "\$2,000,000", proposed to be inserted by the committee amendment, insert the figure "\$3,000,000."

Mr. LA FOLLETTE submitted an amendment intended to be proposed by him to House bill 8202, the Agricultural Department appropriation bill, 1941, which was ordered to lie on the table and to be printed, as follows:

On page 83, line 12, strike out "\$85,000,000" and insert "\$113,000,000."

Mr. MEAD submitted two amendments intended to be proposed by him to House bill 8202, the Agricultural Department appropriation bill, 1941, which were ordered to lie on the table and to be printed:

On page 62, line 13, strike out "\$725,000" and insert "\$825,000."

And—

On page 64, line 14, strike out "\$1,130,000" and insert "\$1,205,000."

Mr. BYRD (for Mr. OVERTON) submitted an amendment intended to be proposed by Mr. OVERTON to House bill 8202, the Agricultural Department appropriation bill, 1941, which was ordered to lie on the table and to be printed, as follows:

On page 64, line 14, after "\$1,130,000", insert a comma and the following: "of which \$5,000 shall be available for the maintenance of a market news service at New Orleans, La."

Mr. BILBO (for himself and Mr. LEE) submitted an amendment intended to be proposed by them jointly to House bill 8202, the Agricultural Department appropriation bill, 1941, which was ordered to lie on the table and to be printed, as follows:

Amend the paragraph entitled "Parity payments", on page 82, by striking out lines 16 to 25, and on page 85, strike out lines 1 to 5, inclusive, and insert the following:

"To enable the Secretary of Agriculture to make parity payments to producers of wheat, cotton, corn (in the commercial corn-producing area), rice, and tobacco, pursuant to the provisions of section 303 of the Agricultural Adjustment Act of 1938, \$607,000,000, which sum shall be apportioned to these commodities in proportion to the amount by which each falls to reach the parity income: *Provided*, That such payments with respect to any such commodity shall be made with respect to a farm only in the event that the acreage planted to the commodity for harvest on the farm in 1940 is not in excess of the farm-acreage allotment established for the commodity under the agricultural conservation program."

#### FINANCIAL AND OTHER DATA PERTAINING TO SUNDRY GOVERNMENTAL AGENCIES AND CORPORATIONS

Mr. BYRD submitted the following resolution (S. Res. 247), which was referred to the Committee on Printing:

*Resolved*, That the report of the Secretary of the Treasury relative to the financial condition and operations of certain corporations and agencies of the Government, transmitted to the Senate on February 15, 1940, in response to Senate Resolution 150, agreed to June 27, 1939, be printed as a Senate document, and that — additional copies be printed for the use of the Senate document room.

#### PUNISHMENT FOR ESPIONAGE AND OTHER CRIMES

The PRESIDING OFFICER (Mr. CLARK of Missouri in the chair) laid before the Senate the amendments of the House of Representatives to the bill (S. 1398) to amend the act entitled "An act to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States, to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes," approved June 15, 1917, as amended, to increase the penalties for peacetime violations of such act, which were, to strike out all of sections 1 and 2 and insert:

That section 1 of title I of the act entitled "An act to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States, to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes," approved June 15, 1917, as amended, is amended by striking out "shall be punished by a fine of not more than \$10,000 or by imprisonment for not more than 2 years, or both," and inserting in lieu thereof the following: "shall be punished by imprisonment for not more than 10 years and may, in the discretion of the court, be fined not more than \$10,000."

On page 2, line 24, to strike out "3" and insert "2"; on page 3, lines 4 and 5, to strike out "not less than 5 years and"; on the same page, line 7, to strike out "4" and insert "3"; on the same page, lines 11 and 12, to strike out "not less than 5 years and"; on the same page, line 18, to strike out "not less than 5 years and"; on pages 3 and 4, to strike out all of section 5; on page 4, line 3, to strike out "6" and insert "4"; on the same page, line 7, to strike out "not less than 10 years and"; on the same page, line 10, to strike out "7" and insert "5"; on the same page, line 14, to strike out "not less than 5 years and"; on the same page, line 17, to strike out "8" and insert "6"; on the same page, line 22, to strike out "not less than 5 years and"; on the same page, line 25, to strike out "9" and insert "7"; on page 5, line 4, to strike out "not less than 5 years and"; on the same page, line 7, to strike out "10" and insert "8"; on the same page, line 11, to strike out "not less than 5 years and"; on the same page, line 14, to strike out "11" and insert "9"; and on the same page, line 18, to strike out "not less than 5 years and."

Mr. BARBOUR. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House insisted upon its amendments to the bill (S. 1160) for the relief of Roland Hanson, a minor, and Dr. E. A. Julien, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. KENNEDY of Maryland, Mr. RAMSPECK, and Mr. THOMAS of New Jersey were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendment of the Senate to each of the following bills, asked conferences with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. KENNEDY of Maryland, Mr. RAMSPECK, and Mr. THOMAS of New Jersey were appointed managers on the part of the House at the conferences:

H. R. 3481. An act for the relief of C. Z. Bush and W. D. Kennedy; and

H. R. 4126. An act for the relief of Warren Zimmerman.

#### SOCIAL AND ECONOMIC AMERICA

[Mr. TOWNSEND asked and obtained leave to have printed in the Appendix of the RECORD the text of a speech by Senator BRIDGES at a luncheon meeting of the Wilmington Rotary

Club, Hotel du Pont, Wilmington, Del., Thursday, March 14, which appears in the Appendix.]

#### THE SILVER PURCHASE ACT

[Mr. TOWNSEND asked and obtained leave to have printed in the RECORD an editorial from the New York Journal of Commerce of March 19, 1940, relative to the Silver Purchase Act, which appears in the Appendix.]

THE FARM PROBLEM—ARTICLES BY ROGER W. BABSON AND MRS. BEN OHNSTAD

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD an article by Roger W. Babson entitled "Instead of Handouts, United States Should Encourage Families to Move to Farms," and an article by Mrs. Ben Ohnstad entitled "Anyone Can Go Back to Eden," which appear in the Appendix.]

#### THE CENSUS OF 1940

[Mr. TOBEY asked and obtained leave to have printed in the RECORD various articles, a letter, and an editorial bearing on the census matter, which appear in the Appendix.]

#### ARTICLE BY WILLIAM PHILIP SIMMS ON BRITISH DEMANDS

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD an article by William Philip Simms entitled "Britain's Demands," which appears in the Appendix.]

#### ARTICLE FROM FORTUNE MAGAZINE ON WESTERN FREIGHT RATES

[Mr. SCHWELLENBACH asked and obtained leave to have printed in the RECORD an article on the subject of western freight rates, published in Fortune Magazine for February 1940, which appears in the Appendix.]

#### AGRICULTURAL APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 8202) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1941, and for other purposes.

Mr. BANKHEAD. Mr. President—

The PRESIDING OFFICER. May the Chair state the parliamentary situation? The unfinished business is the agricultural appropriation bill, the formal reading of which has been dispensed with by unanimous consent. No committee amendment has yet been stated. Does the Senator from Alabama desire to address himself to the bill or to the first committee amendment?

Mr. BANKHEAD. Simply to one part of the bill.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. BANKHEAD. Mr. President, the subject of parity income of farmers is the paramount question involved in the pending appropriation bill. The parity objective has received very earnest consideration since the present administration went into power on March 4, 1933. Different ways of finally reaching the desired result have been put into operation. Considerable success has been achieved, but much remains yet to be done in order to place more than one-third of our total population on a basis of economic justice with the people engaged in other activities.

I know that most, if not all, Senators are familiar with section 303 of the Agricultural Adjustment Act of 1938. It provides for parity payments to farmers "if and when appropriations are made therefor." As it contains the first basic authorization for parity-payment appropriations, I am going to quote section 303. It is as follows:

If and when appropriations are made therefor, the Secretary is authorized and directed to make payments to producers of corn, wheat, cotton, rice, or tobacco on their normal production of such commodities in amounts which, together with the proceeds thereof, will provide a return to such producers which is as nearly equal to parity price as the funds so made available will permit. All funds available for such payments with respect to these commodities shall, unless otherwise provided by law, be apportioned to these commodities in proportion to the amount by which each fails to reach the parity income. Such payments shall be in addition to and not in substitution for any other payments authorized by law.

Section 301 of the Agricultural Adjustment Act of 1938 defines "parity" and "parity income" as follows:

Parity as applied to prices for any agricultural commodity shall be that price for the commodity which will give to the commodity a

purchasing power with respect to articles that farmers buy equivalent to the purchasing power of such commodity in the base period. The base period, except for tobacco, is the period of August 1909 to July 1914.

Parity as applied to income for agriculture shall be that per capita net income of individuals on farms from farming operations that bears to the per capita net income of individuals not on farms the same relation as prevailed during the period from August 1909 to July 1914.

What is meant by net income from farming operations? It means income available for living, income that is left after fertilizer, feed, taxes, interest, and the ordinary business expenses of a farm are excluded. By deducting these ordinary expenses we determine the net income from agriculture and compare it to nonfarm income. Agriculture's share of the total income must be the same, comparatively speaking, that it was in the 1909-14 period, if farmers are to get parity income.

I recently heard a comparison which illustrates parity income very well. The net income from farming operations and the nonfarm income were compared to a pie. To receive parity income, agriculture's share of the pie must be as large by comparison with the whole pie as it was in the pre-war period.

We use the 1909-14 period as a yardstick for measuring parity prices and income. So far as we have been able to determine, this was a period when farm prices and income were balanced with other prices and income. Farm commodities flowed freely to the cities and manufactured goods flowed freely to the farm. Workingmen had jobs. It was a stable and prosperous period, for agriculture was on a plane of economic equality with labor and industry.

After the first World War farm prices fell but other prices did not. The prices of manufactured goods, the wages of labor, taxes, interest, debt charges, and other things remained high. The farmer has been trying to get back on an even footing with other groups since then, and we have been trying to help him.

From the standpoint of farm prices and farm income there is no question about the need for parity payments. In the calendar year 1939, for example, the farmers' incomes fell \$1,600,000,000, or 25 percent below parity income. This failure on the part of agriculture to get its fair share of the annual national income is a habitual one. The last time farmers got parity income was away back in 1919. Agriculture's cumulative deficit has grown each year. At the end of 1939 farmers' incomes, over a 20-year period, had fallen \$35,000,000,000 below parity income.

The question before us is not the restoration of that deficit; we are not even considering an appropriation large enough to give agriculture parity income in 1941. What we are discussing here is whether to appropriate enough money to raise the income of the producers of five basic commodities to 75 percent of parity.

The men who grow cotton, corn, wheat, tobacco, and rice do not grow these crops exclusively. Many of these producers are dairy farmers, fruit farmers, truck farmers, livestock producers, poultry producers, and so on through the list. By a conservative estimate, 80 percent of the Nation's farmers grow one or more of the five crops I have mentioned. The overwhelming majority of the farmers of the country have a direct interest in parity payments. Furthermore, the producers of the basic commodities are the farmers who make most of the sacrifices that are required by the soil-conservation and marketing programs practiced for the last 5 or 6 years. For example, in the 6 years ending with 1932, the acreage of cotton in the United States averaged 40,174,000 acres. For the 6 years ending in 1939, cotton acreage averaged 27,655,000 acres, a reduction of 31 percent. The acreage in 1939 was 40 percent below the pre-1932 average.

The sacrifice made by the producers of basic commodities, the unusual difficulties facing them because of the export situation, and the importance of these growers in the general scheme of agriculture are good reasons for parity payments. The welfare of the producers of the five basic crops is of sufficient importance to us all to make it important that every



effort should be made to assure them a fair and adequate income. On that fact we are all agreed.

What of the income from the five basic commodities named in the act? Measured in terms of pre-war purchasing power, the deficit in the income from these products in 1939 amounted to \$450,000,000, or more than double the \$212,000,000 appropriated for parity payments for the 1939 crop year. The total deficiency in income from sales of corn, wheat, cotton, rice, and tobacco in the last 10 years has been about \$5,600,000,000.

For the information of the Senate, I am submitting for the RECORD a table showing the annual income received by farmers in the years from 1924 as compared to parity income, and I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

*Farm income available for living, parity income, and deficiency in available farm income, United States*

Year	Available farm income	Ratio available farm income to parity <sup>1</sup>	Parity farm income <sup>2</sup>	Deficiency in available income <sup>3</sup>
1910-14.....	\$4,518,000,000	100.0	\$4,518,000,000	-----
1924-29.....	6,966,000,000	84.2	8,271,000,000	-\$1,305,000,000
1930.....	5,115,000,000	66.9	7,646,000,000	-2,531,000,000
1931.....	3,081,000,000	47.2	6,528,000,000	-3,447,000,000
1932.....	1,804,000,000	34.2	5,275,000,000	-3,471,000,000
1933.....	2,597,000,000	52.1	4,985,000,000	-2,388,000,000
1934.....	3,376,000,000	59.8	5,645,000,000	-2,269,000,000
1935.....	4,237,000,000	70.4	6,018,000,000	-1,781,000,000
1936.....	5,123,000,000	75.4	6,794,000,000	-1,671,000,000
1937.....	5,471,000,000	75.2	7,275,000,000	-1,804,000,000
1938.....	4,451,000,000	66.7	6,673,000,000	-2,222,000,000
1939.....	4,587,000,000	65.3	7,025,000,000	-2,438,000,000
Including Government payments:				
1933.....	2,759,000,000	55.4	-----	-2,226,000,000
1934.....	3,932,000,000	69.7	-----	-1,713,000,000
1935.....	4,820,000,000	80.2	-----	-1,198,000,000
1936.....	5,410,000,000	79.7	-----	-1,384,000,000
1937.....	5,838,000,000	80.2	-----	-1,437,000,000
1938.....	4,933,000,000	73.8	-----	-1,740,000,000
1939.....	5,394,000,000	76.8	-----	-1,631,000,000

<sup>1</sup> This is the ratio of available farm to available nonfarm income per capita, 1910-14=100.

<sup>2</sup> Available farm income divided by the ratio to parity.

<sup>3</sup> The amount by which parity income exceeds available farm income.

Source: Bureau of Agricultural Economics.

Mr. BANKHEAD. Mr. President, what about the prospects for 1941? It will be argued, and justifiably so, that the Congress cannot be expected to appropriate money to compensate agriculture for failure to get its fair share of the national income in past years. What we are concerned with is the need for parity payments now.

Farm prices rose during the last World War. Many people apparently feel the pattern will be repeated in this war. This memory of wartime high prices is in line with the fortunate tendency of human beings to remember pleasant experiences and to forget the unpleasant. The first effect of the first World War on farm prices was depressing. In 1915 the prices of farm commodities in the United States were lower, on the average, than they were in 1914. Furthermore, the farm situation in 1914 and the farm situation in 1939 were entirely different.

The President, among others, apparently thought that the war in Europe might raise farm prices to the point where parity payments would not be necessary. This, I wish to emphasize, is responsible more than any other factor for the President's failure to include provision for parity payments in the Budget. As my authority for that statement I invite attention to the Budget message of the President. I find the Chief Executive's language very significant, and if words mean anything, it disposes of the claim in some quarters that the President opposes parity payments. On the other hand, he says, and says clearly, that they may have to be appropriated. Let me quote just what the President said:

Under the broad heading of agricultural programs I have included agricultural adjustment benefits, the surplus removal program and parity payments arising from 1940 appropriations.

Despite a gratifying general increase in farm income, agriculture is still not receiving its proper share of the national income. I am, therefore, proposing to continue substantially undiminished the various agricultural programs.

I have not, however, included estimates for new appropriations for parity payments in 1941. I am influenced by the hope that next year's crops can be sold by their producers for at least 75 percent of parity. I do not suggest in any way abandonment of the policy of parity payments heretofore adopted, and future events may call for some appropriation to this end. I note, however, in passing that the Congress has failed to make any provision for the financing of these payments already made or obligated for 1938 and 1939 crops.

Again, if language means anything, the President not only does not reject the principle of parity payments, but he flatly states that "future events may call for some appropriation to this end." Nor can I find in his language anything which indicates that the President will insist upon additional taxes to raise parity payments, although the President's wishes in this matter are well known.

What, then, are the prospects of the coming of the future events mentioned by Mr. Roosevelt?

The following table shows comparative prices of the basic commodities as of August 15, 1939, September 15, 1939, and February 15, 1940.

*Farm and parity prices of 5 basic commodities, August and September 1939 and February 1940*

Commodity	Aug. 15, 1939			Sept. 15, 1939			Feb. 15, 1940		
	Farm price	Parity price	Farm price as percent- age of parity price	Farm price	Parity price	Farm price as percent- age of parity price	Farm price	Parity price	Farm price as percent- age of parity price
	Cents	Cents	Percent	Cents	Cents	Percent	Cents	Cents	Percent
Corn.....	45.7	80.2	57	56.2	82.2	68	54.7	82.2	67
Wheat.....	54.5	110.5	49	72.7	113.2	64	84.1	113.2	74
Cotton.....	8.70	115.50	66	9.13	15.87	58	9.97	15.87	63
Rice.....	57.9	101.6	57	87.5	104.1	84	68.7	104.1	66
Tobacco.....	16.6	17.8	93	14.4	18.2	79	13.6	14.5	94

Bureau of Agricultural Economics. Compiled from records of the Agricultural Marketing Service.

Mr. President, the war began on September 3, and in February farm prices, on the whole, were only 3 percent higher than they were as of September 15. Realities have cooled the speculative fever which followed the beginning of the war. On March 4 the Bureau of Agricultural Economics said flatly that the European war had reduced the export demand for farm products. Britain and France are going to spend their cash for the products they need most. These products are industrial products, munitions, airplanes, and other implements of war. The Allies can buy farm products elsewhere. They can exchange their manufactured goods for farm products in other countries. It is to their advantage

to trade with the dominions, and to conserve their exchange here for airplanes and munitions. The war has already greatly reduced exports of tobacco and fruits.

Since the outbreak of war, the price of wheat has advanced sharply. We need to go no further, however, than unfavorable crop conditions in this country, and the effect of the Triple A programs themselves, to discover major reasons for the increases. Barring the most unusual conditions, there is little likelihood of a wheat shortage in this country or elsewhere in the world. The world supplies of wheat for 1939 far exceed anything known in 1914. The total world supply is estimated to be one thousand eight hundred mil-

lion bushels larger than in 1914, while world consumption is only about 900,000,000 bushels larger.

I am profoundly disturbed by the potential effect of the war upon our agricultural exports. If the adverse trend in industry continues, the agricultural problem will be further complicated. In the face of declining industrial activity and decreased exports, to refuse parity payments to farmers would be like throwing away life preservers during a storm at sea.

As of February 15 last, the farm price of cotton was 9.97 cents per pound, while 75 percent of parity price was 11.90 cents a pound. With the exception of tobacco, every basic commodity was below 75 percent of parity. Despite sharp rises, wheat lacked eight-tenths of a cent per bushel of bringing three-fourths of parity. I have here a table which shows this situation, and the payments which would have been required to bring 75 percent on the 1939 production. I ask unanimous consent to have the table printed in the RECORD.

The PRESIDING OFFICER (Mr. GILLETTE in the chair). Without objection, it is so ordered.

The table is as follows:

*Estimated parity payments required to bring total returns from basic commodities to what they would be if farm prices were 75 percent of parity<sup>1</sup>*

Commodity	Unit	Feb. 15, 1940			1939 production	Required parity payment
		75 percent of parity	Farm price	Difference		
Cotton	Pound	Cents 11.90	Cents 9.97	Cents 1.93	Bales 11,792,000	\$113,793,000
Wheat	Bushel	84.9	84.1	.8	<sup>2</sup> 582,000,000	4,656,000
Corn <sup>3</sup>	Bushel	81.65	51.1	10.55	1,674,000,000	176,608,000
Rice	Bushel	78.1	68.7	9.4	<sup>2</sup> 48,875,000	4,594,000
Total						299,651,000

<sup>1</sup> Prices of all types of tobacco are above 75 percent of parity. In this computation it seems best to use most recent prices as indicative of what prices may be in 1940-41. Production in 1939 was used, in absence of definite indications of 1940 production. Actual amounts required, therefore, may be greater or less than indicated.

<sup>2</sup> Amount for sale off farms.

<sup>3</sup> Includes only commercial area.

Source: Bureau of Agricultural Economics.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. McCARRAN. I do not want to interrupt the continuity of the Senator's thought, but I call attention to the fact that the statement has been made repeatedly that the parity payments would not be made until the latter part of the summer of 1941, and the question has been asked why we are making the appropriation at this time. The Senator perhaps is going to answer that question later on.

Mr. BANKHEAD. No; but I shall be glad to answer it now.

Mr. McCARRAN. I wanted the Senator to answer that question. I am one of the committee who voted on this matter, but I think the Senator is so conversant with the subject that it would be possible for him to handle it in his own time and in his own way.

Mr. BANKHEAD. There are two purposes for the parity payments. One is to secure as full cooperation as possible in the programs which in a way are designed to adjust production to the market demand, so that the extent of the cooperation in these programs is always a matter of the very highest importance. That is one purpose or reason. The second, however, and more important reason, is that this amendment, as all previous parity payment provisions and price adjustment provisions have done, requires the participants in the parity payments to comply this year with the agricultural adjustment program.

Mr. McCARRAN. Will the Senator yield for another question?

Mr. BANKHEAD. I yield.

Mr. McCARRAN. Is it not true that parenthetically in his statement there come this thought, that the payments must

be assured in order to have those who comply entirely insured with respect to the outcome of their compliance?

Mr. BANKHEAD. To have them what?

Mr. McCARRAN. To have them entirely insured. In other words, if the farmers of the country comply with the program, they must begin to comply at this time.

Mr. BANKHEAD. That is correct.

Mr. McCARRAN. It is absolutely essential, in order that there be complete compliance, that the program be made out now.

Mr. BANKHEAD. Yes. Here is an offer on the part of the Government that if the farmers comply the parity payments will be made.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. HATCH. The Senator is familiar with the fact that winter wheat planted this year, in 1940, will not be harvested until 1941, next year. It is absolutely essential that compliance with the program be had this year.

Mr. BANKHEAD. I will say that it is also absolutely essential with respect to all the other crops that must be planted now, in the spring.

Mr. HATCH. Yes. I do not mean to say that the other crops are not essential, but I pointed out winter wheat to illustrate the point the Senator made.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. RUSSELL. I do not think I can add anything to the Senator's statement. I merely wish to point out, as I undertook to do yesterday, that no farmer, particularly a wheat farmer, would have any idea where he stood in respect to parity payments, unless Congress took action in respect thereto in this bill, and that the failure to make the appropriation now, if the Congress intends to make it at all, would absolutely disrupt the compliance with the farm program. If no appropriation has been made, the farmer planting winter wheat, as suggested by the Senator from New Mexico [Mr. HATCH], will attempt to gamble with the market. He may fear that wheat prices will be down next year. In that event he may plant more acreage to make up the reduction in his income due to decreased prices resulting from more production. As a matter of fact, it was opinion of that kind that brought into being the huge surpluses that have been a constant problem to the Congress since 1931 and 1932.

Mr. BANKHEAD. That is correct.

Mr. McCARRAN. Mr. President, will the Senator again yield?

Mr. BANKHEAD. I yield.

Mr. McCARRAN. Is not the situation expressed in this way, that in order to carry out the program the Government may now say, "You carry out the program, and if we can get an appropriation later on we will carry on our end of the bargain"?

Mr. BANKHEAD. It will be that way unless the money is appropriated now. And I call attention of the Senate to one of the crops, cotton. Farmers have already planted crops in some parts of the country, but certainly they are approaching the planting season now, and unless this appropriation is known to be available there will be an encouragement to producers to stay outside of the program, and in that way break down the effectiveness of the program, so it is highly important to make known now to all producers who participate in these payments that they are available; not may be, but are available.

Mr. McCARRAN. I hope I did not interrupt the Senator's thought by my questions.

Mr. BANKHEAD. No, Mr. President. I am glad to have the Senator interrupt me for that purpose.

Mr. McCARRAN. I wanted the Senator to explain the matter because I knew that he was a master of the subject.

Mr. BANKHEAD. I thank the Senator, and I am glad he brought the subject up, because I had not intended to deal with that specific phase of it.



The average per capita farm income available for living—that is, the income available for each person on farms in the 1909–14 period—was \$140. By farm income available for living I mean the income left after the ordinary business expenses of operating the farm are paid. Each person on farms in the 1909–14 period had approximately \$140 to spend for clothing, food, amusement, schooling, and all the many things for which money can properly be spent. Certainly, this sum is not very large, and this fact should be kept in mind when persons begin to talk about the “golden age of agriculture,” and to hint that farmers were better off in 1909–14 than they deserved to be. Farmers were well off only by comparison with their condition most of the time since then.

After the World War unorganized farmers faced an organized world. Industry organized to protect itself through tariffs and in some instances through monopolies. Labor organized to increase wages and decrease working hours. This organization was made possible by the aid of the Federal Government. For example, there might be a furor while the tariffs were being raised, but once the new duties went into effect, they worked more quietly than any well-oiled machine. The public, as a whole, tended to forget about the tariffs, but the effects of the duties continued just the same.

Our capitalistic economy depends for its very existence upon balance—balance between the various groups of our population. If through tariffs and other legislation, Government favors industry and labor at the expense of the farmer, Government eventually must help the farmer too. Otherwise we set up a series of disturbances that can be just as disastrous in their effects as interferences with circulation in the human body. If we clog the channels of trade through governmental favoritism to some groups, we tend to cripple the country. We cause arthritis of the economic system.

I do not think there is the slightest doubt that tariffs cost farmers money, or that other legislation which increases distribution, transportation, and labor costs takes money out of the farmers' pockets. If the Government takes money unjustly out of farmers' pockets, it is only fair that the Government should put that money back.

With Government payments included, farm incomes over the past 5 years averaged \$166 for each person living on farms. As Senators have seen, this compares with \$140 per person for the 5 years prior to the World War.

At first glance this might seem to contradict our statements about farmer difficulties. Let us look then for a moment at the income of the nonfarm population. During the past 5 years it averaged \$625 per person, as compared to an average of only \$408 in the period before the first World War. The income of people not on farms, even if we include the unemployed, has been averaging 50 percent higher than it did in the prewar period. Farm income has been running only about 20 percent greater.

Mr. NORRIS. Mr. President, may I interrupt the Senator at that point?

Mr. BANKHEAD. I yield.

Mr. NORRIS. When the Senator says there was \$166 income for every person living on a farm, the Senator does not mean by that \$166 per family, does he?

Mr. BANKHEAD. No; I mean the individual.

Mr. NORRIS. If a farmer had five members in his family it would mean that each member of the family had, under that average, \$166?

Mr. BANKHEAD. Yes.

Mr. NORRIS. During what period was that?

Mr. BANKHEAD. In the past 5 years.

Mr. NORRIS. That was the average in the last 5 years?

Mr. BANKHEAD. Yes; and that includes Government benefit payments, price-adjustment payments, and soil-conservation payments, and originally the land-rental payments.

Mr. NORRIS. Does the Senator mean that this \$166 constitutes entirely the Government payments of one sort or another?

Mr. BANKHEAD. No; that is the total. That included all of his earnings and Government payments.

Mr. NORRIS. That is what I understood. Mr. President, my interest was aroused by the statement of the Senator from Alabama. I am not questioning the figures the Senator has given.

I do not question that the figures were accurately given from whatever source the Senator obtained them in the Agricultural Department. However, it is possible, as suggested by the Senator from Oregon [Mr. McNARY], that there ought to be some explanation for what appears to me on the face of it to be an inaccuracy. Can the Senator tell whether or not the figures he has given represent the net income after all expenses have been paid?

Mr. BANKHEAD. That is, the business expenses of operating the farm?

Mr. NORRIS. Including taxes, and so forth.

Mr. BANKHEAD. Yes; and fertilizer.

Mr. NORRIS. After they had all been deducted?

Mr. BANKHEAD. These figures constitute the net income. The factors mentioned by the Senator are deducted.

During the past 5 years the income of the nonfarm population amounted to \$625 per person on the same basis of calculation, a surprising figure, which shows how very low is the income of the farmer in comparison with the industrial, commercial, and business population of the country.

The farmer is in the position of a man whose salary has increased just a little, while his rent, fuel, taxes, interest, and all living expenses have gone sky high.

Approximately \$15 of the income of each person on farms during the past 5 years has come from Government payments. This is called a subsidy. It is a pitiful one by comparison with farmer needs, and I call attention to the fact that the farmers were not the first group to receive Federal subsidies out of the Treasury. They were among the last.

What are some of these other subsidies? The tariff, of course. The amount is not definitely ascertainable, but it is staggering. The Government pays approximately \$8,000,000 in subsidies to the Post Office Air Mail Service, around thirty to forty million dollars a year on subsidies to ocean shipping, and an indirect subsidy of around \$87,000,000 a year through carrying second-class mail below its cost. We aid the several transportation industries in many ways. Public costs of operating air fields and airways amount to \$50,000,000 a year. Expenditures for maintenance and interest on public investment on waterways run \$100,000,000 a year. Federal and State expenditures for construction and maintenance of roads are \$1,200,000,000 a year. The original construction of many railroads was aided by the Federal Government, both in grants of land along the right-of-way, and in some cases large grants in cash.

The relative size of some of these subsidies can be realized when we divide the subsidies to each industry by the number of persons employed in each. Here are a few averages for recent years: Aircraft engaged in air mail received \$448 for each employee. The construction and operation of ocean shipping received \$633 for each employee. Manufacturing as a whole probably received through tariffs \$213 per employee. But farmers received only \$46 per farm worker.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. NORRIS. Of course, anyone could compute the total, but I think it would be well for the Senator to insert in his remarks at this point the aggregate of all these other subsidies.

Mr. BANKHEAD. I have not totaled them. I have only enumerated them. However, I shall follow the Senator's suggestion and ask unanimous consent to insert in the Record the total of the subsidies.

Mr. NORRIS. I wish the Senator would do so.

Mr. BANKHEAD. Mr. President, I ask unanimous consent to include as part of my remarks the total of the subsidies which I have listed in my statement.

The PRESIDING OFFICER. Without objection, the totals may be inserted in the Record.

The totals are as follows:

<i>Subsidies—annually</i>	
Air Mail Service.....	\$8,000,000
Ocean shipping, \$30,000,000 to.....	40,000,000
Second-class mail.....	87,000,000
Public costs of operating air fields and airways.....	50,000,000
Expenditures for maintenance and interest on public investment on waterways.....	100,000,000
Federal and State expenditures for roads.....	1,200,000,000

Total..... 1,485,000,000

Farmers have received only \$46 per farm worker during recent years.

Mr. BANKHEAD. Mr. President, we have heard statements about the farmers' plight many times, and perhaps they have grown a bit wearisome with repetition. It is hard to reduce it to specific terms, to things that all of us can readily understand. The Secretary of Agriculture, in a recent appearance before the Senate Appropriations Committee, used some effective illustrations to show what has happened to the farmer. He compared prices for some of the things that farmers buy to the prices they paid in 1913. He made comparisons by using a 1913 and a 1940 Sears, Roebuck catalog. I shall quote a portion of the Secretary's statement. This is what he said:

Work shirts could be ordered from the 1913 catalog for an average price of 57 cents. The average price in the 1940 catalog is 73 cents, an increase of 28 percent. At January 15 prices in 1913 it took 4.7 pounds of cotton to buy a work shirt. The cost now is the equivalent of 7.2 pounds of cotton, based on January 15 prices, or 53 percent more than in 1913. The cost of bib overalls has increased 39 percent in dollars and cents. In terms of cotton, the cost has increased from 5.8 pounds to 9.6 pounds, or 66 percent.

In each of these examples I have tried to pick articles that are essentially the same now as in 1913. Common nails haven't changed much, if any, since 1913, but the price has gone up 74 percent. At January 15 prices for hogs in 1913 it took 31 pounds of hogs to buy 100 pounds of 8-penny nails. But at January 15 prices in 1940, it took 70 pounds of hogs to buy 100 pounds of 8-penny nails, an increase of 126 percent.

The quality of an ordinary 4-pound ax probably is no better now than in 1913 but the price has almost doubled, arising from 96 cents to \$1.89—an increase of 97 percent. The amount of wheat required in exchange for a 4-pound ax has increased from 1.2 bushels to 2.2 bushels—or almost double what it was 27 years ago.

The cost of a 60-tooth, 2-section spike-tooth harrow in 1913 was \$10.06, but the cost is now \$19.75—an increase of 96 percent. At January 15 prices for wheat in 1913 it took 12.9 bushels to buy a spike-tooth harrow. At January 15 prices in 1940 it took 23.4 bushels of wheat to buy one, or 80 percent more.

Corn planters are essentially the same now as in 1913, but the price has gone up from \$31.25 to \$65.95—an increase of 111 percent. The important point for the corn producer is the amount of corn it takes to buy a corn planter. In 1913 it took 63 bushels of corn to buy a two-row, check planter. Today it takes 124 bushels. Thus the real price to the corn producer is now double what it was in 1913. At January 15 prices this year it took 124 bushels of corn to buy a two-row corn planter.

In 1913, a long-handled round-point shovel could be purchased for 48 cents. The cheapest shovel of this type quoted in the 1940 catalog is for sale at 79 cents, an increase of 65 percent. Twenty-seven years ago a three-tine hay fork could be bought for 39 cents. A similar fork today costs 79 cents, or 103 percent more.

That is the story, told in terms of harrows, nails, shirts, axes, shovels, and pitchforks. The farmer receives less now for what he sells than he did in 1913. He pays more for the things he buys.

An adverse balance of trade, if repeated over a long period of time, will ruin any individual, any group, or any nation. No wonder that for every farm foreclosure in the 1910-14 period, approximately six were foreclosed in the early 1930's.

Distribution and processing costs took 47 cents of every dollar spent for food in 1913; they took 59 cents of every dollar in 1939. Legislation for labor and labor organizations has become so effective that union wage scales are above parity as compared with farm-commodity prices. The hourly wage of a carpenter in 1913 averaged 69 cents; it now averages \$1.66. A plumber received an average of about 57 cents an hour in 1913; he now averages about \$1.52 an hour.

I am not criticizing wage increases. I am glad that these groups of industrial workers have improved the volume of their income. Perhaps there are justifications for increases in distribution costs. I am simply trying to show how the farmer lagged behind—so far behind that Government had

to step in to keep our economic system on a stable and democratic basis.

Unorganized, the farmer was as helpless before compact and organized groups as the Poles were before the trained precision and massed striking power of German militarism. It is all very well to talk about rugged individualism and the God-given right of the farmer to be left alone. The truth is that Government did not leave him alone. As the result of adverse legislation and of inaction, his rugged individualism became ragged individualism.

Since 1933, the Government has paid out slightly more than \$3,000,000,000 in conservation and benefit payments to farmers. One billion of that amount was collected in processing taxes on their own commodities. These payments have been termed subsidies. What about the subsidies the farmers have given the rest of the country? If farmers do not receive their fair share of the national income, if they have to sell at prices below the cost of production, someone is being subsidized; and that someone certainly is not the farmer. The farmers have produced abundantly, too. There has not been a day in the past quarter of a century when supplies of food in the United States were not ample. Even though farmers received much less than parity prices and parity income, they never went on strike. The farmers received parity in the 1909-14 period; they received more than parity in the next 4 years and paid for those 4 good years with 20 bad ones. During this period they have clothed and fed the Nation, and have done it without adequate compensation. This has been equivalent to a farmer subsidy for the rest of the Nation.

In the past 10 years, if farmers' prices had been in line with prices received by other groups, they would have received \$20,000,000,000 more than they received.

If anyone wants any proof of the interdependence of city and country, the giddy twenties and the dismal early thirties should furnish the necessary evidence. The farmers, with 25 percent of the population, conduct the largest single industry. Twenty billion dollars in additional purchasing power for farmers during the past 10 years might well have been the difference between chronic unemployment and a job for everyone wanting to work.

Suggestions have come from unfriendly sources that the farmers' demand for parity payments is proof that the agricultural programs have failed.

Let me say emphatically that the programs have not failed; but let me say just as emphatically that they will fail unless we appropriate enough money to make them effective. However sound in principle, farm programs without money to make them operative are just as useless as an automobile without gasoline.

Out of the efforts to adjust burdensome surpluses and raise farmer income grew another great objective—the conservation of our soil. When we looked closely at our farms, we found both the land and the persons living upon it in a bad state. Now, for the first time, we are making a concerted national effort to preserve the most basic resource we have—the land. So popular is this part of the program that everybody claims it.

Yet, important as soil conservation may be, income conservation is important, too. If farmers had not been hard pressed for cash, many of them would have treated their land better. They would not have abused it by growing soil-depleting row crops year after year. More farmers would have been owners and would have had a bigger stake in caring for the soil.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. CONNALLY. The Senator referred to parity payments. Does the Senator conceive that it is possible for the Senate to refuse to make the parity appropriations contained in the bill?

Mr. BANKHEAD. I do not think there is any possible chance of the Senate not doing so. The only reason I am making this statement is for the benefit of the RECORD and



the information of others who are probably not as well informed as we are. I doubt if there will be more than 25 votes in the Senate against the parity payment amendment.

Mr. CONNALLY. I had assumed, of course, that the Senate would pass the parity payment amendment contained in the bill, because otherwise it would certainly fail to measure up to its obligations and duties.

Mr. BANKHEAD. I feel sure that the Senator's assumption is based upon solid ground.

The lack of parity payments next year is bound to weaken these farm programs. The total payment to wheat farmers in 1940 is estimated at 19 cents a bushel on the normal yield of the acreage allotments. For example, if a participating farmer had an allotment of 50 acres with an average yield of 10 bushels an acre, he would get a payment equal to 50 acres times 10 bushels times 19 cents, or \$95. Without parity payments next year, his total payment next year is estimated at 9 cents a bushel, or less than half his payment this year. In other words, his payment will be confined to what he receives from the soil-conservation program. Under these circumstances, a good many wheat farmers are likely to decide that they can make more money out of the program than they can in it.

Without parity payments next year, the payments for cotton will be only about half what they are this year. The payments for corn will be reduced about 5 cents a bushel; payments for rice would be reduced; and this year, for the first time since 1933, tobacco growers may need parity payments. Tobacco growers—flue-cured growers in particular—face a discouraging prospect.

The triple-A programs can be successful only if there is enough farmer participation to make them effective. At the outset of these programs, the decision was made to pay farmers who took part in them. This decision was a wise and necessary one. Money still is necessary if farmers are to participate freely and fully in these programs.

What about the effect of an ineffective farm program upon the rest of our economy? Would we save any money by failing to appropriate for parity payments or for other essential items in the agricultural appropriation bill? Our experience has been that no money spent in the recovery effort has done more good than the funds spent on these farm programs. In the early 1930's every drop of \$100 in farm income was accompanied by a drop of \$80 in rural retail sales. Every increase in farm income, after the farm programs began, was accompanied by an increase of \$74 in rural retail sales. Factory pay rolls and farm income rise and fall together. Estimates have been made in well-informed circles that every dollar added to farm income means an additional dollar for the factory worker and \$7 for the Nation as a whole.

Businessmen in the farming areas do not have to be cited figures and statistics about the effects of increased rural buying power. They know. Rain during a drought was never more welcome than the payments and price advances after these programs began in 1933.

Industrial areas benefit, too. A study by the Agricultural Adjustment Administration of half a million freight waybills and waybill abstracts shows in a striking manner what happens when farmer purchasing power is restored. The study compares the year ending June 30, 1933, with the year ending June 30, 1934, and the succeeding year. So far as most farmers were concerned, recovery did not begin until after June 30, 1933. Farm prices had risen but few farmers had anything to sell.

The study covers carlot shipments from 16 Northern and Eastern States to the principal agricultural areas—the Southeast, the Southwest, and the Northwest.

The shipments originated on more than 125 railroads operating in the North and East. I ask unanimous consent to have published in the RECORD, following my speech, statements and table showing the increases in industrial shipments during the period I have described.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit A.)

Mr. BANKHEAD. The statement has been made that farmers would not continue to pile up surpluses after prices fell, and that adjustment would become automatic. Let me cite Senate Document No. 13 for the Seventy-fourth Congress. This is a study by Gardiner C. Means on Industrial Prices and Their Relative Inflexibility. The following table tells the relation of price drop and production drop for 10 major industries from 1929 to the spring of 1933.

I ask to have the table printed in the RECORD without reading.

The PRESIDING OFFICER. Without objection, it is so ordered.

The table is as follows:

	Percent drop in prices	Percent drop in production
Agricultural implements.....	6	80
Motor vehicles.....	16	80
Cement.....	18	65
Iron and steel.....	20	83
Auto tires.....	33	70
Textile products.....	45	30
Food products.....	49	14
Leather.....	50	20
Petroleum.....	56	20
Agricultural commodities.....	63	6

Mr. BANKHEAD. What did the farmers buy when they got money? Apparently, first of all, they bought farm machinery. Shipments of farm implements increased 160.9 percent in the year ending June 30, 1934, and in the next year the shipments increased 309.3 as compared to the year ending June 30, 1933. Tractors and tractor parts gained by 111.3 percent in the second year and 302.9 in the third year. Shipment of steel fence posts increased from 145.9 percent in the year 1934 to 197.3 percent in the year 1935.

Shipments of refrigerators increased 82.4 percent in the year 1934, and they jumped to 259.6 percent in the year 1935. Plumbing fixtures and fittings increased 23.8 percent in the year 1934 and 105.1 in the year 1935. Shipments of sewing machines increased 445 percent in the year 1934 and 1,340 percent in the year ending June 30, 1935, as compared to 1933. Farm housewives had been needing sewing machines, and needing them badly, but they could not buy them until times got better, until the recovery began.

A decrease in farm purchasing power means a decrease in the purchases of farm implements, automobiles, tractors, clothing, radios, sewing machines, fencing, books—all the thousands of articles made in our factories. That every dollar added to farm income means several dollars added to the national income is indicated by the close relationship between farm income and factory pay rolls and the relationship between farm income and the national income.

Any action which saves one dollar and loses several is not true economy.

I am for economy. I want to balance the Budget. But I cannot see how the Budget can be balanced by reducing farm income and weakening farm programs, and thereby reducing the purchasing power of millions of our people.

This country spent about \$1,162,000,000 for national defense in 1939; an estimated \$1,604,000,000 will be spent in 1940; and the estimates for 1941 are almost \$2,000,000,000.

I am for national defense; but my definition of national defense includes a sound and stable agriculture. I fail to see how weakening agriculture, and making farmers poorer, will make this country any stronger and better able to resist a foe. As I define it, national defense includes a prosperous agriculture, farmers who have a stake in preserving our system of government.

Let me cite an example of the value to national defense of a stable farm population. The Finns are an agricultural people. The country is known to be made up of small land-owning farmers. Attacked by giant Russia, the Finns made a fight that has evoked the admiration of the world. The Finnish farmers have made that fight—a fight in defense of their land, their families, and their country.

One of the most effective means of weakening this Nation would be to go back to the conditions of 1932. As you will recall, farmers were in a sullen mood. Some of them resisted foreclosures with force. Rich men were afraid, for they knew that both workers and farmers were desperate.

One of the prices we have paid for stability since the depression has been our farm programs. They have been worth many times what we have spent on them. In times like these everything possible should be done to make them stronger.

We have seen that the present war has not helped the American farmer, and is not likely to help him; but a sudden cessation of the war might bring chaos if we did not have the machinery to protect agriculture and industry. The end of the war probably would put an end to purchases of airplanes and other material that is keeping factories busy. The decrease in farm exports has been offset to a certain extent by our increased industrial activity. If that prop fails, what will happen unless we have a strong farm program?

If we needed parity payments for 1939 and 1940, we need them now. If we were going to see this job halfway through and not continue it, perhaps we should never have begun it at all. Cruel as it might have been, perhaps we should have let the deflation continue.

Instead, we promised the farmers Federal assistance. Carefully testing each step with experience, we built a farm program. We improved it, and farmers came to depend upon it, to plan their activities within its framework. The goal was parity—parity of income and parity of prices. I do not see how we can turn back when the goals still remain before us. To reverse the policy already laid down without justification for the reversal would, in my opinion, stamp us as irresponsible, as a body incapable of planning a wise course and holding to it.

Let me repeat, if the parity provisions of the Agricultural Adjustment Act mean anything, if parity payments were needed this year and the year before, they are needed for next year. Certainly we have not removed the handicaps to agriculture. We talk about the size of farm appropriations; yet the tariff, by the very conservative estimates of the Bureau of Agricultural Economics, costs farmers \$600,000,000 each year. I have seen estimates that the tariff costs the consumers of the country at least \$3,000,000,000 annually. I do not know how accurate that figure is, but I am certain that the tariff costs the people much more than these farm programs.

We have not removed the handicaps to agriculture imposed by monopolistic practices. Does anyone doubt that these practices exist? Then study what happened to farm prices and farm production during the depression, as contrasted to the course of industrial prices and industrial production. Industrial prices stayed up, while farm prices went down. Why? Industry, or much of it, at any rate, was well organized. It could cut production. Farmers could not. Industry could put a brake on falling prices. Farmers could not.

We have not removed the handicaps to agriculture imposed by high freight rates, and many other handicaps remain. Before we begin to economize at the expense of the farmer, should we not put him on an equal basis with labor and industry?

From every standpoint we should provide for parity payments.

We should do this from the standpoint of simple justice to agriculture.

We should do it to provide additional markets for our industries, and to help relieve unemployment in commerce and industry.

We should do this in the interests of the national defense.

We should do this in the interests of genuine economy.

We should do this in the interests of the welfare of all the people in these United States.

#### EXHIBIT A

#### STUDY SHOWING INCREASES IN INDUSTRIAL SHIPMENTS TO AGRICULTURAL STATES AFTER 1933

The following study covers carlot shipments from 16 Northern and Eastern States to the principal agricultural areas, the South-

east, the Southwest and the Northwest. (The 16 Northern and Eastern States, the industrial States were: Connecticut, Delaware, Indiana, Illinois, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, and Wisconsin. The agricultural States were: Alabama, Georgia, Florida, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee, Virginia, West Virginia, Arizona, Arkansas, California, Kansas, Missouri, New Mexico, Oklahoma, Texas, Colorado, Idaho, Iowa, Minnesota, Montana, Nevada, North Dakota, South Dakota, Oregon, Washington, and Wyoming.)

The shipments originated on more than 125 railroads operating in the North and East. The following table tells the story—a story which should be of interest to every Member of Congress from a manufacturing State or section:

Shipments by groups of commodities, total shipments, all groups

Group	Year 1 (July 1, 1932, to June 30, 1933)	Year 2 (July 1, 1933, to June 30, 1934)	Percent- age of increase year 2 over year 1	Year 3 (July 1, 1934, to June 30, 1935)	Percent- age of increase year 3 over year 2	Percent- age of increase year 3 over year 1
	Thousand pounds	Thousand pounds		Thousand pounds		
Agricultural.....	247,261	515,628	108.5	655,806	27.2	165.2
Domestic and per- sonal.....	636,211	1,004,329	57.9	1,264,409	25.9	98.7
Industrial and com- mercial.....	2,772,821	3,896,392	40.5	4,359,296	11.9	57.2
General.....	4,677,665	6,140,920	31.3	7,062,872	15.0	51.0
Total.....	8,333,958	11,557,260	38.7	13,342,383	15.4	60.1

#### PUBLIC HEALTH

Mr. LODGE. Mr. President, the importance to a nation of having its citizens healthy cannot be exaggerated, and the strides which the medical profession has made toward improving the Nation's health cannot be too highly praised. It is also natural and proper that government should interest itself in health. Indeed, no government which purports to have in mind the welfare of its citizens could disinterest itself in a subject which is so vital to every citizen.

From the beginning of the Republic, the States and their subdivisions have done most of the work of public health, and certainly there is no reason to believe that their responsibility will lessen. That the Federal Government has a part to play—and a significant one—is also not to be denied, and it is to this that I particularly address myself here.

In studying the part of the Federal Government, it is well to recognize that, although the advance of medical science is inspiring, there is a deplorable amount of bad health in the United States. In this connection the President's committee on medical care, a nonpartisan body, has pointed out that one reason why persons of precarious means do not receive proper medical care is that they are unable to pay for it. To this might be added the further surmise that not only does poverty preclude proper medical care after sickness has set in; it also tends to facilitate the beginning of disease where, without poverty, it would not occur.

In studying the duty of the Federal Government, therefore, we are, first of all, struck by the fact that some bad health is due to poverty, and that the Federal Government has never succeeded in eradicating poverty. In this aspect of the matter it would appear that the best course for the Government to follow would be to try to promote the growth of real and widespread prosperity in the United States. This would undoubtedly do much to improve the general health.

Looking further into the question of inadequate medical care among large groups of people, it is well said that it is due to the following factors, in the following order: First, lack of a sufficient number of qualified general practitioners of medicine; second, lack of essential medicines and lack of essential clinical facilities; and, third, lack of hospitals.

An orderly approach to the question of making more widely available a proper standard of medical care would, accordingly, work for a more widespread prosperity as an indirect attack on the problem, and would, in its direct attack, seek first to increase the number of good doctors, and then provide medicines and clinical facilities.

Pending proposals, however, seem to approach the problem from the other end—the hospital end. This raises the



question as to whether a sparsely settled section, which cannot afford to maintain a good general practitioner, can afford to maintain a hospital; and, failing the necessary medical personnel of doctors and nurses, the question may well be asked whether the proposed building, even though the word "hospital" is carved over its front door, would, by virtue of that inscription, become a real hospital in the finest sense of the word. It is far, far better never to go to a hospital than to enter an inferior one and there be subjected to the indescribable dangers and agonies coming from ignorant hands.

Questions like these show the need for deep and far-reaching study into all phases of this problem before final action is taken. We do not want the Government to be involved in further expenditure; nor do we want any half-baked schemes to be written on the statute books. The record of the past few years proves that hasty and ill-digested legislation sets back the cause of true reform, and gives a bad name to really worth-while and progressive measures. In this spirit I am introducing a bill as an alternate to the measures now pending, and for study along with all these other schemes. My bill represents a new approach to the problem; it is not yet a complete whole. I want it to be studied by the committee now considering the question and by the medical profession throughout the United States. In a matter involving the health of the American people there should be no wild experimentation, and there should be no false starts. I should like to introduce the bill and have it printed as a part of my remarks.

**THE PRESIDING OFFICER.** Is there objection?

There being no objection, the bill (S. 3630) to amend the Social Security Act, as amended, for the purpose of providing health insurance for workers in severe economic distress and making more adequate provision for the care of the sick was read twice by its title, referred to the Committee on Education and Labor, and ordered to be printed in the RECORD, as follows:

*Be it enacted, etc.,* That this act may be cited as the "Health Insurance Act of 1940."

Sec. 2. The Social Security Act, as amended, is amended by inserting after section 202 the following new section:

**"HEALTH-INSURANCE BENEFITS"**

"SEC. 202 A. (a) Every individual, who (1) is a fully or currently insured individual (as defined in section 209 (g) and (h)) in any month; (2) was registered as unemployed for at least 4 consecutive weeks immediately prior to the beginning of such month at a public employment office or other agency approved by the Board; (3) has made application for a health-insurance benefit with respect to such month; and (4) is not entitled to any other benefit under this title with respect to such month, shall be entitled to a health-insurance benefit with respect to such month.

"(b) Subject to the limitations of subsection (c), such health-insurance benefit shall be equal to the reasonable value of the medical, dental, or hospital services rendered during such month to such individual, his wife, his child under the age of 16, or his wholly dependent parent, and such benefit shall be paid by the Managing Trustee to the doctor, dentist, or hospital rendering such services.

"(c) The total health-insurance benefits payable with respect to any such individual (including benefits payable with respect to services rendered to his wife, child, or parent) shall not exceed \$40 in any one calendar year; and no payment to any doctor, dentist, or hospital shall exceed the amount with respect to which the individual entitled to the benefit makes application for payment to such doctor, dentist, or hospital.

"(d) As used in this section—

"(1) The term 'doctor' includes any medical practitioner licensed in the State in which the medical services were rendered with respect to which an application for a health-insurance-benefit payment is filed.

"(2) The term 'dentist' includes any dental practitioner licensed in the State in which the dental services were rendered with respect to which an application for a health-insurance-benefit payment is filed.

"(3) The term 'hospital' includes any health, diagnostic, or treatment center or institution, and related facilities, administered by persons licensed to practice medicine, no part of the net earnings of which inures to the benefit of any private shareholder or individual, in the State in which the hospital services were rendered with respect to which an application for a health-insurance-benefit payment is filed.

"(e) No health-insurance benefit shall be paid pursuant to this section with respect to any month unless application therefor is filed prior to the end of the third month immediately succeeding such month."

Sec. 3. Section 203 (d) of such Act, as amended, is amended by inserting after "under this title" the words "(except section 202 A)."

Sec. 4. (a) Section 209 (h) of such Act, as amended, is amended to read as follows:

"(h) The term 'currently insured individual' means any individual during any quarter if it appears to the satisfaction of the Board that such individual was paid wages of not less than \$50 for each of not less than 6 of the 12 calendar quarters immediately preceding such quarter."

(b) Section 209 (i) of such Act, as amended, is amended by inserting after "The term 'wife'" the words "(except when used in section 202A)."

(c) Section 209 (k) of such Act, as amended, is amended by inserting after "section 202 (g)" the words "and section 202 A".

Sec. 5. The Social Security Act, as amended, is further amended by inserting after title VI the following new title:

**"TITLE VI—A.—GRANTS TO STATES FOR MEDICAL SERVICES AND FACILITIES"**

**"APPROPRIATION"**

"Sec. 605. For the purpose of enabling each State to provide medical services and facilities which are standardized in their nature, but which, because of their high costs, are not used in many cases in which their use is desirable, there is hereby authorized to be appropriated for each fiscal year, beginning with the fiscal year ending June 30, 1941, such sum as may be necessary to carry out the provisions of this title. The sums made available under this section shall be used for making payments to States which have submitted, and had approved by the Board, State plans for furnishing medical aid.

**"STATE PLANS FOR FURNISHING MEDICAL AID"**

"Sec. 606. (a) A State plan for furnishing medical aid must (1) provide that it shall be available to all political subdivisions of the State; (2) provide for financial participation by the State; (3) either provide for the establishment or designation of a single State agency to administer the plan, or provide for the establishment or designation of a single State agency to supervise the administration of the plan; and (4) provide that the State agency will make such reports, in such form and containing such information as the Board may from time to time require, and comply with such provisions as the Board may from time to time find necessary to assure the correctness and verification of such reports.

"(b) The Board shall approve any plan which fulfills the conditions specified in subsection (a), except that it shall not approve any plan which imposes as a condition of eligibility for medical aid a residence requirement which denies aid with respect to any person who has resided in the State for 1 year immediately preceding the application for such aid.

**"PAYMENT TO STATES"**

"Sec. 607. (a) From the sums appropriated therefor, the Secretary of the Treasury shall pay to each State which has an approved plan for medical aid, for each quarter, beginning with the quarter commencing July 1, 1940, an amount which shall be used exclusively for carrying out the State plan, equal to one-half of the total of the sums expended during such quarter under such plan.

"(b) The method of computing and paying such amounts shall be as follows:

"(1) The Board shall, prior to the beginning of each quarter, estimate the amount to be paid to the State for such quarter under the provisions of subsection (a), such estimate to be based on (A) a report filed by the State containing its estimate of the total sum to be expended in such quarter in accordance with the provisions of such subsection and stating the amount appropriated or made available by the State and its political subdivisions for such expenditures in such quarter, and if such amount is less than one-half of the total sum of such estimated expenditures, the source or sources from which the difference is expected to be derived, and (B) such other investigation as the Board may find necessary.

"(2) The Board shall then certify to the Secretary of the Treasury the amount so estimated by the Board, reduced or increased, as the case may be, by any sum by which it finds that its estimate for any prior quarter was greater or less than the amount which should have been paid to the State for such quarter, except to the extent that such sum has been applied to make the amount certified for any prior quarter greater or less than the amount estimated by the Board for such prior quarter.

"(3) The Secretary of the Treasury shall thereupon, through the Division of Disbursement of the Treasury Department and prior to audit or settlement by the General Accounting Office, pay to the State, at the time or times fixed by the Board, the amount so certified.

**"OPERATION OF STATE PLANS"**

"Sec. 608. In the case of any State plan for medical aid which has been approved by the Board, if the Board, after reasonable notice and opportunity for hearing to the State agency administering or supervising the administration of such plan, finds—

"(1) that the plan has been so changed as to impose any residence requirement prohibited by section 606 (b), or that in the administration of the plan any such prohibited requirement is imposed, with the knowledge of such State agency, in a substantial number of cases; or

"(2) that in the administration of the plan there is a failure to comply substantially with any provision required by section 606 (a) to be included in the plan;

the Board shall notify such State agency that further payments will not be made to the State until the Board is satisfied that such prohibited requirement is no longer so imposed, and that there is no longer any such failure to comply. Until it is so satisfied, it shall make no further certification to the Secretary of the Treasury with respect to such State.

#### "DEFINITION"

"SEC. 609. As used in this title, the term 'medical aid' means making available, free to needy persons, and at a minimum cost to other persons, X-ray treatment, respirators, and any drug which is of substantial, accepted, and specific value in the treatment or prevention of pneumonia, streptococcus infections, diabetes, pernicious anemia and other anemias, congestive heart failure, glandular and nervous disorders, nutritional deficiency, and typhoid fever."

Mr. LODGE. Mr. President, my bill does two things: First, it provides voluntary health insurance for workers in severe economic stress; and, second, it makes more adequate provision of those medicines and medical services which have become standardized in their nature, but which because of high cost are not used in many cases where their use would be unquestionably desirable.

#### 1. HEALTH INSURANCE

Whether for reasons of pride or of unfamiliarity with our existing health system, the fact is that there are many who will not take advantage of the generous willingness of American doctors and hospitals to supply medical care free of charge. It seems desirable that some plan be devised which will, first, enable these persons to help themselves; and, second, reduce the heavy load of free cases which our medical men so uncomplainingly carry.

The first part of my bill proposes an amendment to the Social Security Act which will provide health insurance for those who are in severe economic need. Under the terms of the bill, unemployed workers who have contributed to their own protection through pay-roll taxes are eligible to receive adequate sums up to \$40 to pay doctor and hospital charges. The total cost of this plan in 1940 would be approximately \$15,000,000, which is a mere fraction of the tremendous old-age fund from which the payments would be made. According to Senate Report No. 734, Seventy-sixth Congress, the total of the old-age reserve trust fund will be \$1,871,000,000 at the end of 1940.

This is substantially the same scheme which I introduced last year, and which I have redrafted so as to meet the points raised by Mr. Paul V. McNutt, who at that time was interesting himself in these matters on behalf of the administrative branch of the Government. The points raised at that time were:

First. That my bill was drafted on the basis of the original Social Security Act instead of the amended version. This technical detail has now been cared for.

Second. That the bill only sought to serve those without means. I have added new provisions which extend the benefits to the families of workers as well as to the workers themselves; which cut the period of waiting from 15 weeks to 4 weeks; and which permits larger groups to participate. I have increased the benefit payment to as much as \$40 a year. The bill now includes dental service. The coverage provisions have been considerably relaxed.

Third. Finally, that the bill of last year only assisted those who were in need, which, according to Mr. McNutt, was inconsistent with the provisions of the existing Social Security Act. It must be apparent that, if funds are limited, preference in paying benefits must be extended to some persons over certain others. No way of avoiding this dilemma has been suggested by anyone. If preference is to be extended, should not those who need this health service the most receive the preference, assuming, of course, that existing laws governing preference are also kept in force?

I hope this measure will be acceptable to the Congress and to all Americans who acknowledge their stake in the development of a healthy America. The needy will receive immediate relief. The taxpayer will not be affected, for there are no new taxes involved. Doctors and hospitals will receive compensation for furnishing medical care to those whose slender resources hitherto have not been able to stand the strain of essential medical assistance.

#### 2. EXPENSIVE MEDICINES

I now come to part 2, the last half of the bill which introduces another distinct idea into the field of public health. The first part of the bill is a redraft and a perfection of something offered last year; but the second part, I think, represents a new departure.

Mr. President, this suggestion springs from the fact that there are at present a number of medicines the manufacture of which has become thoroughly standardized, and which are properly regarded by the layman as specific remedies for well-defined diseases. These particular medicines, unlike the majority of medicines, are so expensive that they are beyond the reach of many persons. For example, big hospitals will make gifts of small quantities of most types of medicine. For these hospitals, however, to give away the medicines to which this bill refers would be to strain their finances to a point which they could not bear.

The bill therefore provides Federal aid, on a matching basis, to those States which have a plan for making these medicines available to those who are entitled to them. The medicines covered by the bill are as follows:

1. Sulfapyridine. Used for pneumonia, streptococcus infections, and other infections.
2. Insulin. Used for diabetes.
3. Liver extract. Used for pernicious anemia and occasionally for other anemias.
4. Mercupurin ampoules and Mercurin suppositories. Used for patients with congestive heart failure.
5. Endocrine products—most of these except thyroid gland are expensive. Used for glandular and nervous disorders.
6. Vitamin preparations—thiamine chloride, nicotinic acid, viosterol, vitamin K. Used for a variety of conditions, especially nutritional deficiency.
7. Typhoid vaccine. Used to prevent typhoid fever and is already compulsory in some States.

This list covers medicines which enter into the field of internal medicine. I hope and believe that with the publication of this bill additional medications used in other branches of medicine, such as dermatology and obstetrics, will be proposed and included.

The same philosophy is carried into the field of medical services. It provides for Federal aid on the same basis, so that persons in need of these services may obtain the use of respirators, the so-called iron lung, and, above all, of large-scale X-ray facilities. I believe it is not disputed that countless instances occur every day in which X-ray examinations are desirable—nay, essential—but are not given because of the prohibitive cost.

The suffering which could be prevented by prompt X-ray examination is indescribable. Needless to say, the prevention of disease automatically tends to reduce the cost of caring for the disease once it has been allowed to take hold. The use of respirators and X-rays involves a technique which has become relatively standardized. There is really no longer any mystery about them. In the case of the X-ray it is not inconceivable that it would become a routine part of every physical examination were it not for the cost. In the case of people of moderate means the cost prohibits its use. In the case of persons who can afford it, the use of X-ray is known to be so unusual that its prescription sometimes causes alarm.

At a later date I shall submit data showing the amount which might be initially authorized. Until the list of medicines to be provided is complete, the sum to be authorized could not be stated with any exactitude. It is safe to say, however, that in comparison with the total outlay for social services in which the Government is now engaged the figure would be most moderate.

This measure would not regiment. In all cases the initiative would rest with the individual. He himself would choose his own doctor and his own hospital. The Federal Government would merely give full recognition to the work of private enterprise, and simply set up the machinery whereby the self-respecting man might help himself. Questions of medical personnel and hospital standards would remain where they now are, in the devoted hands of professional physicians. The part played by the State and local



governments is recognized and enhanced. There is no invitation to haste and waste.

There is to be no large scale splurging of money in building programs and in contracts for materials. There is to be no setting up of a bureaucracy or of any other obstacles between the patient and his health. This scheme is as direct as a governmental scheme can be. It provides specific, concrete, definite aid for definite diseases. It is believed that in giving everyone a chance to have these medicines and services according to his ability to pay, very great good can be done.

In recent years we have taken important steps looking toward the establishment of a well-rounded, integrated social-security program. Workmen's compensation for many years has provided financial aid to those who have suffered from injuries sustained during the course of their employment. Unemployment compensation aims to protect the unemployed from loss of wages. Old-age pensions should be developed which will safeguard our people from the hazards of insecurity. A well-conceived health-insurance program should bring measurably nearer the day when the American people will be physically fit.

This bill is a humble first step toward this inspiring goal.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. LODGE. I yield.

Mr. BRIDGES. I believe the Senator from Massachusetts has really gotten to the meat of a very important problem in the course of the program which he has outlined, and I am wondering whether he has any figures or any general idea as to the cost of this program as compared with the so-called Wagner scheme. I realize that the Senator from New York [Mr. WAGNER] is socially-minded, but it has always appeared that his social-mindedness is very expensive financially to the United States. I wondered whether the Senator had a general idea as to the cost.

Mr. LODGE. The first half of my bill, that is, the purely health-insurance part of it, on the basis on which I have it set up, would, if it were in existence today, cost about \$15,000,000 for the first year, for 1940. As to the second half of the bill, which relates to providing certain specific medicines for specific diseases, I have not yet been able to compute the cost, because it is very difficult to ascertain the number of people in the United States who have these various diseases. The list of medicines which I have included here is an absolutely meritorious and well considered list insofar as it goes, but undoubtedly it is not yet complete. There will be medicines added in the field of dermatology and in the field of obstetrics, to give just two which are not covered at the present time. Of course, until we know what all the medicines are and what their unit cost may be, it is very difficult to give an accurate figure. I do feel perfectly certain, however, that this program will be far, far cheaper than a scheme which involves a great deal of construction, and a scheme which goes into the wholesale distribution of moneys without regard to the specific individual need for assistance. I have no question that it would be much cheaper than that. I believe that if it should ever be put into effect, the expense would be very low compared with the other social services which are now being conducted.

Mr. BARBOUR. Mr. President, will the Senator from Massachusetts yield?

Mr. LODGE. I yield.

Mr. BARBOUR. The subject of the bill just introduced by the Senator is one in which I am very much interested. It is a most important subject, to which I have been giving a great deal of thought and study. I am, indeed, very grateful for the splendid and constructive contribution the very able Senator from Massachusetts has just made to this important field. I rise to comment along the very line of the colloquy a moment ago between the Senator from Massachusetts and the Senator from New Hampshire.

I feel that it can be said without fear of contradiction that the Senator from Massachusetts is not only correct in stating that this program would be far cheaper, in the proper economic use of that word, but it is obvious, on reflection, that there could not possibly be any other approach which conceivably could be as economical as the one the Senator from

Massachusetts has suggested. When his program has been thoroughly analyzed, this fact will be established. That, in a sense, answers the question of the Senator from New Hampshire, even without any figures or other data; and better, really, than could be done, certainly at this time, with figures or data.

Mr. LODGE. I am obligated to the Senator from New Jersey for his observation.

The PRESIDING OFFICER. The Chair would like to ask a question of the Senator from Massachusetts, for the information of the clerks at the desk. The bill proposed would amend the Social Security Act, which was originally considered by the Committee on Finance. Some of the measures along the line of the Senator's bill have been referred to the Committee on Education and Labor. Does the Senator from Massachusetts have any preference as to which committee should consider his bill?

Mr. LODGE. I should like to have the bill go to the subcommittee which is making a study of all of these health matters, so that they can study my bill along with the rest.

The PRESIDING OFFICER. A subcommittee of what committee?

Mr. LODGE. I believe it is a subcommittee of the Committee on Education and Labor. They have all these health measures pending before them. I should like to have this one studied along with the rest. It is my understanding that there will be no legislation along this line at this session, but that something may be brought in at the next session, and I should like to have the program covered by my bill considered along with the rest.

The PRESIDING OFFICER. The bill will be referred to the Committee on Education and Labor.

#### AGRICULTURAL APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 8202) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1941, and for other purposes.

Mr. CAPPER. Mr. President, I favor the amendments offered by the Senate Committee on Appropriations to the pending agricultural supply bill, H. R. 8202. In this connection I want to call attention to the fact that the status of agriculture and of the American farmer today is a condition, not a theory. I say we should face the facts, and deal with the farm problem in the light of realities.

Viewed in the light of reality, I say no conclusion can be reached other than that the appropriations suggested by the committee are necessary, and should be made.

We have in operation a farm program. I have great respect for Secretary Wallace, and am glad to give him credit for trying very hard to do something for agriculture. But I will not discuss at this time whether or not it is the best kind of a farm program, whether it is sound or unsound, whether it is working in the direction of a solution of the farm problem, or whether it is operating in a vacuum, so far as a permanently helpful and successful program is concerned. I intend to discuss the farm program as a program at some other time. I have some views on that subject that I wish to convey to the Senate later.

What we have before us today is an appropriation bill to carry out the promises of the present national farm program. Whether we like it or not, it is the only farm program we have. It calls for certain appropriations if Congress is to make more than a gesture toward keeping promises made in the Agricultural Adjustment Act of 1938 to the American farmers.

Mr. President, so far as the farmer himself is concerned, the goal of the present farm program is to restore parity income to the American farmer as a whole—to bring about a normal and equitable exchange of farm commodities for the products of industry.

I have information from Secretary Wallace that farm income over the past 10 years has averaged \$2,000,000,000 a year under parity.

In the farm act itself we have a yardstick for measuring parity income—it is, that net income from farming opera-

tions per person living on farms shall bear the same relation to net income of persons not living on farms as prevailed in the 5 years before the World War, the years selected as a base period.

The 1909-14 yardstick was selected by Congress on the assumption that farm and city incomes were relatively in balance during that period, as shown by the fact that farm goods flowed freely to the cities and city goods flowed freely to the farms.

Where does farm income stand today? If it were not for Government payments, farm income and farm purchasing power would be more than \$2,000,000,000 short of parity. With Government payments, farm income is at least \$1,500,000,000 short of parity. That means the farmers' ability to purchase products of industry is \$1,500,000,000 short of that necessary to keep factories going.

Industry has as big a stake as agriculture in parity income for agriculture.

Perhaps it will be easier to see this picture if we put it in terms of things that farmers sell and farmers buy. I think Secretary Wallace did a good job in that respect before the Senate Appropriations Committee.

The prices I am comparing are taken from two mail order catalogs issued by the same mail-order house, one for January 15, 1913, and the other for January 15, 1940; and farm prices for the same periods as shown by the reports of the Bureau of Agricultural Economics.

Take nails—ordinary eightpenny nails. In 1913 a farmer could buy 100 pounds of these nails with what he received from the sale of 31 pounds of hog. In 1940 it takes 70 pounds of hog to buy the same quantity of eightpenny nails—an increase of 126 percent. If he pays for the nails in cotton instead of hogs, at 1940 prices, it takes 36 pounds of cotton instead of 17. In terms of beef, it takes 53 pounds instead of 39; in terms of wheat, 3.3 bushels instead of 2.4 bushels; in terms of corn, 5.3 bushels instead of 3.7 bushels.

Suppose the farmer buys a corn planter, 2-row check. In 1913 he could have bought it with 258 pounds of cotton, in 1940 he could buy it with 653 pounds; 168 pounds of wool in 1913, 235 pounds in 1940; 579 pounds of beef in 1913, 956 pounds in 1940; 460 pounds of pork in 1913, but 1,238—more than a half ton—in 1940; for 63 bushels of corn in 1913, but 124 bushels of corn in 1940; 40 bushels of wheat in 1913, but 78 bushels in 1940.

One more illustration of this kind is sufficient to show how short agriculture is of the purchasing power it must have before we can hope for a return of national prosperity.

In 1913, 5.8 pounds of cotton would buy a pair of overalls; this year it takes 9.6 pounds to buy the same pair of overalls. It took 10.3 pounds of hog in 1913 to buy this pair of overalls; today it takes 18.7 pounds. The wheat grower could get them for nine-tenths of a bushel of wheat in 1913; in January 1940 it took 1.15 bushels of wheat. Where it took 1.4 bushels of corn to buy the overalls in 1913, it requires 1.8 bushels in 1940. Even the cattleman, better off at the present time than most of his neighbors, would have to use 14.1 pounds of beef to buy the overalls that he could have bought with 13 pounds in 1913.

The wool grower fares better. His wool will get him more cotton goods than it would in 1913, but if he buys nails, axes, harrows, or corn planters it will take noticeably more.

Taking it as a whole, Mr. President, the purchasing power of the farmers' products today is little more than three-fourths what it was in the pre-war base period.

And under present world conditions, with what foreign markets are left after the war and post-war world-wide depression still further reduced, there is little likelihood of improvement in farm prices or income.

Mr. President, when the war started last September, there was a sharp upward turn in prices of several farm products, based more upon prospects of high war prices than upon any actually increased foreign demand for American farm commodities.

There was an immediate cry raised that farm prices were on their way back to the high war levels of the latter months of the World War. But that speculative boom in

farm prices flattened out as the fall months dragged along. Up to the present time, the European war has actually resulted in the loss of export markets for farm products instead of increasing exports.

Now it is not necessary to go into all the reasons for this situation. Very frankly, the repeal of the arms embargo was a factor, perhaps only a minor factor. At any rate, since that repeal became effective, France and Great Britain are using their dollar exchange in the United States to buy airplanes and munitions. They are buying farm commodities from their colonies and dominions, on credit, where they can get lower prices, and where their purchases will injure Germany the most. The sum total of it all is that the United States is exporting less and less of farm products as an immediate result of the war.

Exports of aircraft engines and parts were 410 percent larger in January of 1940 than in the same month in 1939. On the other hand, exports of wheat were 73 percent less.

Tobacco and fruit markets abroad have been sharply curtailed by the war. That means further surpluses for the American producer and presumably not a good price in the future. Hog prices are very low today. Unless Great Britain turns to the United States for pork, the prospect for the coming months is far from hopeful.

The point I am making here is that there is little if any prospect in sight of farm prices approaching parity, to say nothing of reaching parity, in the next year or so. Congress, in effect, has promised at least an attempt to give the farmer parity income through parity payments when these are necessary.

It seems to me parity payments clearly are necessary, under present conditions and immediate future prospects. And as for the war, it has increased the need for parity payments, not lessened that need.

Mr. President, at times I am almost inclined to feel resentful when I hear people who should know better crying out against farm subsidies, and denouncing the farmer for accepting help from his government.

Mr. President, I maintain that the American farmer is, and has been, subsidizing the rest of the people of the United States for years past, by furnishing them foodstuffs and fibers at prices far below the cost of production.

The American farmer is not being subsidized. He is subsidizing the rest of us, to the tune of \$2,000,000,000 a year. In the past 10 years American farmers have subsidized the rest of the public to the amount of some \$20,000,000,000.

From farm-program payments American farmers have been subsidized some \$3,000,000,000.

Compare the \$3,000,000,000 of subsidy received by the farmers with the \$20,000,000,000 of what amounts to subsidies given the rest of the population by low farm prices—prices away below parity, prices away below cost of production. That is why farming has been on an unprofitable basis for several years. The farmer has not received his fair share of the national income.

About 150 years ago a man by the name of Benjamin Franklin, also known as Poor Richard, spent some time in England. In England at that time the Government was preventing exports of foodstuffs, thereby holding surpluses inside the country and getting cheap foods.

Ben Franklin was so impressed by the injustice done the farmers of England and so indignant over the cry of the manufacturers for cheap foods that he wrote a letter to the public, in which he advocated payment of subsidies to farmers to compensate them for their losses due to the corn laws.

In part Benjamin Franklin said, and I quote from the letter published in an autobiography of Benjamin Franklin:

Are we farmers the only people to be begrudged the profits of our honest labor? And why?

O, but the manufacturers, the manufacturers, they are to be favored, and they must have bread at a cheap rate.

Hark ye, Mr. Oaf: The farmers live splendidly, you say. And pray, would you have them hoard the money that they get? Their fine clothes and furniture, do they make them themselves, or for one another, and so keep the money among them? Or do they employ these, your darling manufacturers, and so scatter it again over all the nation?



The world would produce a better price if suffered to go into the foreign markets, but that, messieurs the public, you will not permit. It must be kept at home that our manufacturers must have it the cheaper. And thus, having yourselves thus lessened our encouragement for raising sheep, you curse us for the scarcity of mutton.

Some folks seem to think they ought never to be easy until England becomes another lubberland, where it is fancied that streets are paved with penny rolls, the houses tiled with pan-cakes, and chickens, ready roasted, cry, "Come and eat me."

You say poor laborers cannot afford to buy bread at high prices unless they had higher wages. Possibly. But shall we farmers afford our laborers higher wages if you will not allow us to get, when we might get it, a higher price for our corn?

But it seems we farmers must take so much less that the poor may have so much cheaper.

That operates then as a tax for the maintenance of the poor. A very good thing, you will say. But I ask, Why a partial tax? Why laid on us farmers only? If it be a good thing, messieurs the public, take your share of it by indemnifying us a little out of your public treasury.

I merely wish to call attention, Mr. President, to the fact that Ben Franklin, 150 years ago, had a very clear and broad vision of the farm problem as we have come to learn it today.

He knew that national prosperity depended upon a free and equitable exchange of products of the farm and the factory—a free flow of city goods to the country, and of country products to the city.

Ben Franklin knew, and pointed out clearly, though ironically, that the manufacturers who insisted upon cheap foods so they could pay lower wages were thereby destroying the market among farmers for their own manufactured products.

Ben Franklin knew, and pointed out, that if foodstuffs and fibers are marketed at less than cost of production, so there might be cheap food and clothing, then in effect the farmer was being taxed for cheap bread.

And he faced this as a reality, and pointed to indemnification from the public treasury as justifiable under these conditions. I might add, and this is common knowledge among students of tariff history, that Alexander Hamilton, in his report on manufactures, nearly 150 years ago, stated that if the protection given manufacturing unbalanced the exchange of goods for farm products, it would be justifiable and necessary to grant bounties to farmers to make up the difference.

I think there can be no doubt that the conditions which Franklin saw in England, and Hamilton foresaw for the United States, have come about.

In the United States today one-fourth of the population are on farms. This one-fourth of the population gets 11 percent or less of the national income, and is required to keep itself and also to educate one-fourth of the children of school age in the entire Nation.

Figured from any angle—from per capita income, from share of the national income, figured from a comparison of prices paid and received, figured on the basis of production costs—I say the American farmer today is operating at a loss of from 15 to 25 percent.

He is supplying the rest of the people with food at that much below his cost of production. Thanks to tariffs, to corporations, to fixed transportation costs, to high wage levels, all sustained by law, by government, he is being steadily squeezed and dropped into a lower level of living.

Mr. President, since 1913 the farmer's percentage of the consumer's dollar on 58 typical food articles has dropped from 53 percent to 40 percent. In 1913 he got 53 cents of the consumer's food dollar; in 1938 he got only 40 cents.

In the last decade, according to testimony of Mr. Eric Englund, of the Bureau of Agricultural Economics, before the House Appropriations Committee, the ownership of farm real estate by Federal land banks and Land Bank Commissioner has increased 372.4 percent; by joint-stock land banks, 173.7 percent; by life-insurance companies, 485.6 percent; by State credit agencies, 172.9 percent.

Twenty-six of the larger life-insurance companies in the United States now own more than one-half billion dollars' worth of farm lands—all acquired by foreclosure. The life-

insurance companies are not in the business of buying farm lands; they acquire them only when farmers cannot meet their mortgage obligations.

These are the figures on increased insurance-company holdings by the 26 companies, figures placed in the record at hearings before the Temporary National Economic Committee:

Farm real estate owned by 26 largest insurance companies:

In 1929	\$81,907,000
In 1932	235,026,000
In 1933	502,443,000
In 1938	529,392,000

Mr. President, I say this is a deplorable situation. Thousands and thousands of farms have been foreclosed, their owners dispossessed, thrown off the land, becoming tenants or going on relief. In the face of these facts what else can we do except support appropriations for agriculture, pending a real solution of the farm problem?

I realize that we cannot cure this situation by payments of subsidies from the Treasury. A workable farm program in cooperation with a coordinated national recovery program is needed to correct the causes of this evil condition.

The plight of the American farmer justifies the conservation program and the conservation payments. It also justifies and makes necessary the parity payments recommended by the committee.

I am for economy in Government expenditures, but not solely at the expense of the farmer.

In view of war conditions abroad, and their serious effects on crops covered by the parity payments program, there is no question in my mind that this Congress should appropriate at least the \$212,000,000 provided in the Senate amendments. Nearly three times that amount would be required to bring parity prices on farm products.

There is another item which I believe should be approved. I refer to the \$85,000,000 recommended for disposal of surpluses. There will be about \$90,000,000 available for this purpose from customs receipts; the eighty-five millions will be in addition. At the last session Congress appropriated directly one hundred and thirteen millions for this purpose, in addition to the ninety millions available from customs receipts.

This surplus disposal money is used not only to help dispose of surpluses in foreign markets, but also to finance disposal of surpluses of all kinds of farm products in the domestic market, especially to relief clients.

The food-stamp plan, and the cotton-stamp plan, both of which are highly popular with consumers as well as producers, are financed out of the surplus-disposal funds.

I am also strongly in favor of the provision for \$50,000,000 R. F. C. loans to further the farm-tenancy program. The program is inadequate, but in the right direction.

In this connection I desire to call attention to the fact that both the farm tenancy and surplus-disposal items have the approval of the Bureau of the Budget, though the Budget figures were seventy-two millions for surplus disposal and only twenty-five million direct appropriation for farm tenancy.

Both these items, Mr. President, as well as the farm-program payments, mean the difference between hanging on and going under to large groups of our farm population.

While the tenancy program is woefully inadequate, it is moving in the right direction; and while the program is continued it inspires the hope that keeps men going in the face of discouragements. Without any such program most tenants can look ahead with little hope of ever becoming farm owners.

The food-stamp plan is of value and interest to more than the farmers and the needy families in the cities, who are the direct beneficiaries. It also meets with the approval of businessmen as helpful to city business, especially in the retail trades.

Mr. President, in closing may I express the hope that the Senate approve the recommendations of its Appropriations Committee for increasing the appropriations for agriculture.

The farmer needs the money, and the country needs the farmers to have it, pending national recovery through solutions of the farm and unemployment problems.

Mr. President, I have received many appeals from Kansas farm groups asking me to support the pending bill and the amendments reported by the committee. I ask unanimous consent to have these telegrams and letters printed as a part of my remarks.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the communications will be printed in the RECORD.

The communications are as follows:

Hon. ARTHUR CAPPER,  
Senate Office Building, Washington, D. C.:

I request that you as one of our spokesmen in Washington take a firm stand to secure an appropriation adequate to finance the agricultural-conservation program and parity payments for the future. I recommend that you work toward a plan to permanently finance through some type of processing tax our present farm program. I assure you this is the opinion of our 500 members and others in this county.

WM. SHANK,  
President, Ness County Farm Bureau.

SCOTT CITY, KANS., March 15, 1940.  
The Honorable ARTHUR CAPPER, Senator.

DEAR SIR: Farmers of Scott County feel you should do your utmost to obtain increase in Senate agricultural appropriation bill. Farmers are interested in balancing Budget, but still are entitled fair share of national income.

O. M. BROWN,  
President of Scott County Farm Bureau.

LINCOLN CENTER, KANS., March 13, 1940.  
Senator ARTHUR CAPPER,  
Washington, D. C.:

By far majority of members of the Farm Bureau and Agricultural Conservation Association in Lincoln County feel that they do not yet receive parity prices for their products. We ask that you support parity appropriations to this end.

LINCOLN COUNTY FARM BUREAU.  
LINCOLN COUNTY AGRICULTURAL  
CONSERVATION ASSOCIATION.

PHILLIPSBURG, KANS., February 3, 1940.  
Senator ARTHUR CAPPER,  
Washington, D. C.

DEAR MR. CAPPER: We note over the radio and the papers that the agricultural appropriations are being cut severely. We know that you are interested in agriculture in our good old Kansas; therefore, that the large majority may go ahead since agriculture is a basis of prosperity in our view, we ask that you exercise every effort possible to secure a satisfactory agricultural appropriation. We do not feel that the major reduction in appropriation being made by Congress should be unloaded on agriculture. We realize that the proper defense must be provided, but this war situation has not helped agriculture to any extent. It is primarily an industrial enterprise and it seems that this cut in appropriation for agriculture is only doubling the effects of the war in the Middle West. We trust that you will exercise every effort in our behalf.

Yours truly,

GEORGE C. LARSON,  
Secretary, Phillips County Farm Bureau.

CLAY CENTER, KANS., February 2, 1940.  
ARTHUR CAPPER,  
Senator, Washington, D. C.

DEAR SENATOR: We are farmers in Clay County and feel that we are unanimous in favor of the present program, including the loan- and crop-insurance provisions of the set-up, so as a rule the present program fits in with good diversified farming practices, in giving him a fair price for his products and also gives him a chance, with some Government help, to build up his land.

We would appreciate any help that you can give us in giving the farmer a fair chance with other business.

Sincerely yours,

JOHN H. MUGLER.  
E. J. MALL.  
FRED J. HARTNER.

ULYSSES, KANS., February 6, 1940.  
Senator ARTHUR CAPPER,  
Washington, D. C.

DEAR SIR: We wish to urge you to work for continued financial support of the farm program. In Grant County only two farmers have not cooperated with the farm program in the past. We believe it is a good program for everyone—producers and consumers alike.

If Congress wishes to adopt an economy policy, we will not object to a proportional reduction in the farm program, but we do not believe it is logical to reduce the appropriation for the farm program and the Department of Agriculture if the other phases of Government continue to receive the same or additional appropriations. I am sure you realize that the farm program has only partially brought the farmer's income up to parity as compared with other industries. Any reduction in payments under the farm program will result in more disparity. In some cases the price of farm products has increased the past few months, but it is also true that the things the farmer needs to buy have increased in cost so that the farmer has not gained by the increase in farm prices.

Very truly yours,

E. A. KEPLEY,  
President, Grant County A. C. A.

KANSAS FARM BUREAU,  
Manhattan, Kans., February 17, 1940.

Senator ARTHUR CAPPER,  
Washington, D. C.

DEAR MR. CAPPER: I am writing in regard to the parity payments in the agricultural appropriation bill. I feel that it is false economy to do away with parity payments, because what little recovery farmers have had so far has been due in a very great measure to parity payments to agriculture. Farmers believe in economy, too, but feel that they should not have to sustain the principal cut because they already are so far below the economic position of the rest of the country. We are expecting you to support full parity for agriculture as our honorable representative in the Senate.

Sincerely,

M. N. HENDRIKSON.

GREENLEAF, KANS., February 19, 1940.

Hon. Senator CAPPER: I am writing you and asking you to support coming legislation which will provide parity payments to the farmers in 1941.

Knowing your influence has much weight, I am trusting you will work for this much-needed and equitable legislation.

Yours,

DAN H. COMBOW, Greenleaf, Kans.

PARSONS, KANS., February 14, 1940.

To Hon. Senator ARTHUR CAPPER:

Analysis of local farm conditions has convinced us beyond any doubt that there is a definite agricultural problem in Labette County. We find this problem to be due to both improper land utilization and low economic return. We feel that the agricultural conservation program with payments to farmers for good land use can and is doing much toward adjusting crop rotation toward a cropping system which will conserve the natural resources of the soil and aid in raising crop yield to an economic production level.

We feel that various control programs, crop-loan programs, crop insurance, and other supporting programs have helped to hold up the general price level of farm commodities, and together with the direct assistance of cash payments have helped farmers of this county with economic problems of agriculture.

In view of these existing needs to farmers we sincerely hope that you will give your full and whole-hearted support to agricultural conservation payments, farm parity payments, and such other farm appropriations that come before Congress this session.

PHIL J. HELLWIG,  
President, Labette County Farm Bureau and Chairman,  
Labette County Land Use Committee.

ARTHUR H. HUNTER,  
Chairman, A. C. P.  
CARL W. HELLWIG,  
County Committeeman.  
EDWARD DICKERSON,  
County Committeeman.

DODGE CITY, KANS., February 28, 1940.

Senator ARTHUR CAPPER,  
Member of Congress,  
Washington, D. C.:

Urge that you make a firm stand for present agriculture conservation program and parity payments and that sufficient money be appropriated to make benefit payments to farmers for 1941 same as they are at present.

BERT ANDERSON,  
President, Ford County Farm Bureau.

HADDAM, KANS., February 17, 1940.

Mr. ARTHUR CAPPER,  
Washington, D. C.

Hon. Mr. CAPPER: I wish to commend you upon the stand you are taking for the Kansas farmer through legislation.

I assure you that the average farmer is grateful for the aid he receives as benefits from the A. A. A. and other sources.

I wish to impress upon you the necessity of parity payments for 1941 in connection with the A. C. P. program, and wish you to stay right on the plate and bat for the farmer.

We must not lower the morale of the average dirt farmer or the Nation as a whole will head for disaster.



I feel that I am expressing the sentiments of the majority of the farmers of this community and therefore wish you to use your influence keeping a view. The plight of the farmer, before you at all times.

Wishing you more power and influence, I remain,

Respectfully yours,

W. E. PELESKY, *Dirt Farmer.*

GIRARD, KANS., February 15, 1940.

Senator ARTHUR CAPPER,  
Washington, D. C.:

Requesting you stand firm to secure appropriation adequate as finance for soil-conservation program and parity payments. Recommend work toward plan permanent finance; suggest processing tax.

Perry M. Campbell, Gloyd Wilson, Cherokee; Grover Clawson, McCune; W. E. Archer, Walnut; John Zur Buchen, Walnut; Kenneth Millard, McCune; Elmer L. Harr, Girard; Abner A. Tewell, Pittsburg; Frank Barone, Girard; W. I. Morton, Girard; B. P. Turner, Girard; Edward Grabe, Farlington; J. B. Roseboom, Girard; H. H. Vanhoozer, Girard; Pete Timi, Girard; E. C. Boatman, Girard; Jno. W. Sparks, Pittsburg; R. W. Thompson, Pittsburg; Marvin Green, Girard; Willard W. Ozbun, Opolis; A. L. Martin, Opolis; Andrew L. Davied, Walnut; L. J. Walsh, Girard; W. A. McCants, Cherokee; A. H. Pool, McCune; C. L. Goff, Girard.

OSBORNE, KANS., February 19, 1940.

Senator ARTHUR CAPPER,  
Washington, D. C.

DEAR SIR: I am writing you concerning the parity payments for the 1941 program. It seems to me—and I believe that it is safe in saying that it is the opinion of nearly every farmer in the county—that the economy slicing is directed too much at agriculture. The agriculture of the western half of Kansas is in a more or less perilous condition and will be in a worse condition if parity is left out of the 1941 program.

I believe you are doing everything in your power that is to be done for agriculture, but I am writing and urging others to write in order that you may point to our solid support concerning the benefits for agriculture.

Very truly yours,

DWIGHT S. TOLLE,  
County Agent.

JUNCTION CITY, KANS., March 16, 1940.

Senator ARTHUR A. CAPPER,  
Washington, D. C.

DEAR SENATOR CAPPER: As president of the Geary County Farm Boosters Club, who sponsored a banquet and program on Friday, March 8, 1940, celebrating the seventh anniversary of the founding of the A. A. A. program, I am enclosing a copy of the resolutions adopted by 150 Geary County (Kans.) farmers and businessmen.

We had a very fine local nonpartisan program before the broadcast. In it bankers, businessmen, and farmers all expressed their ideas of how the A. A. A. program had benefited the county and stressed the need and value of a continuation of the farm program.

We realize that without your tireless work and support the agricultural situation would be in a much worse condition than it is today.

Very truly yours,

WALTER R. HASLETT,  
President, Geary County Farm Boosters Club.

[Resolution]

Whereas we believe that the agricultural conservation program and the Triple A program, as amended and passed in 1938, has been an immeasurable benefit to agriculture and industry and the country at large;

Whereas we believe that under present economic conditions that are world-wide it is imperative that we have a strong farm program for the benefit of agriculture, industry, and labor; let it be resolved that we go on record as commending each and every one of our Government officials and legislators for the excellent work that they have done in the writing up and passing of the farm program in the past few years;

Whereas we feel that it is necessary that we have a strong agricultural program in future years for the conservation of our natural resources, and especially the fertility of our soil, as all wealth comes from the soil; be it

Resolved, That until such time as the leading agricultural commodities are on a parity in price range with the incomes of the other industries that the Government set aside a sum sufficient to bring such agricultural products up to a parity; and be it further

Resolved, That the President and Congress devise such means as to make this parity payment permanent by setting up a permanent way of financing such payments rather than under the present system of appropriations each individual year; and be it further

Resolved, That this fund be created from some such tax or revenue for this purpose rather than a definite grant from the United States Treasury; and be it further

Resolved, That we feel that the Government can well afford to appropriate as much or more money than at present for the maintenance of the fertility of soil as set up under the agricultural conservation program.

Whereas the following men are especially favorable and are working hard for the agricultural program, we resolve that these men be sent a copy of these resolutions:

To wit: President Franklin D. Roosevelt, Secretary of Agriculture Henry A. Wallace, Senator Arthur Capper, Senator Clyde Reed, Representative Edward H. Rees, and Representative Clifford Hope.

LA CROSSE, KANS., March 9, 1940.

Hon. ARTHUR C. CAPPER,  
United States Senator,  
Washington, D. C.

DEAR MR. CAPPER: Enclosed find a copy of resolutions unanimously approved by the farmers of Rush County assembled at the farm program anniversary dinner held at La Crosse March 8.

Yours very truly,

W. J. LAUGHLIN, *Chairman.*  
J. A. BOTT, *Secretary.*

[Resolution]

A representative group of between four and five hundred farmers assembled here at La Crosse, Rush County, Kans., for the purpose of celebrating the seventh anniversary of the beginning of the A. A. A. program, do hereby express our appreciation and support of the farm program and urge a continuation of the same.

We further register our conviction that the farm program has contributed much to the welfare of the farm family, the community, the State, and the Nation.

We further recommend that in interest of the stability of such a program, a method of financing other than direct appropriation from the Federal Treasury be worked out.

L. R. HONDERICK, *Chairman,*  
WM. B. ROMEISER,  
ROY A. BUTTON,  
JAMES R. RAUP,  
KARL HARTMAN,  
LOUIS TAMMEN,  
E. W. FICKEN,  
*Resolutions Committee.*

GARNETT, KANS., February 13, 1940.

The Honorable ARTHUR CAPPER,  
Washington, D. C.

DEAR SENATOR: We the undersigned farmers of Anderson County, Kans., represent each and every community in the county and in our opinion the passing of the agricultural appropriation bill without any provision for farm-parity payments and with other severe cuts in a number of budgeted items is a severe disappointment to the farmer in this district.

While the farmers naturally approve of any practical move toward economy, they do not feel that agriculture should be expected to sustain the principal cut.

Agriculture has not as yet been brought up to the economic position, relative to the rest of the country, that it is entitled to, or that the welfare of the country as a whole requires.

The farmers are better than 85 percent in the fight to maintain the present farm program and feel that they are justly entitled to its benefits, and are depending upon their Congressmen to secure the appropriation necessary to provide funds to maintain the program including parity payments.

We hereby petition you as our Senator to get in and battle for the agricultural appropriation bill including parity payments and all other budgeted items.

J. C. Bidwell; J. C. Ferguson; C. W. Hydem; Nelson N. Willson; Bob White; Wm. Wesemann; Christina Wesemann; O. W. Lacey; Frank Lickteig; Anton Rues; Howard Winner; Warren D. Lankard; Harry Frazier; Pete S. Rockers; Floyd Miller; G. E. Berry; C. C. Cammann; J. Lee Laedemann; Henry Schknecht; Roy Moody; Tony Peterkord; J. O. Glasgow; R. D. Buchanan; Fred Zulener; A. W. Lickteig; Harold Lake; W. W. Leatherby; L. E. Cleveland.

GRANT COUNTY FARM BUREAU,  
Ulysses, Kans., February 6, 1940.

Senator ARTHUR CAPPER,  
Washington, D. C.

DEAR SIR: We wish to take this opportunity to urge you to do all you can to see that the financial support for the farm program is not lost this year. We represent the Grant County Farm Bureau with a membership of 200 members. All the members cooperate with the program. In addition, it might be stated that in the past over 99 percent of the farmers of Grant County have cooperated with the program and they feel it is a good thing for the farmers and the Nation as a whole.

Yours truly,

A. D. HARMON,  
President, Grant County Farm Bureau.  
S. J. EASTHAM,  
Secretary, Grant County Farm Bureau.

MINNEAPOLIS, KANS., February 6, 1940.

Hon. ARTHUR CAPPER,  
United States Senate, Washington, D. C.

HONORABLE SIR: We are writing to request that you do all within your power to obtain an appropriation for the continuation of the farm program and parity payments.

We recommend that you work toward a plan to permanently finance this appropriation.

In regard to the 1940 farm program, we wish to urge that the soil-building-practice payments for the seeding of alfalfa and sweet clover be increased to \$3 and \$1.50, respectively.

We feel that if the season is favorable the increased payment would greatly encourage the seeding of alfalfa and sweet clover in this county.

We would greatly appreciate hearing from you in this regard.  
Yours very truly,

CHAS. CONNER,  
EDWARD ANTENE,  
RAY EVERLEY,  
Ottawa County A. C. Committee.

LYONS, KANS., February 15, 1940.

HON. ARTHUR CAPPER,  
United States Senator.

HON. CLYDE A. REED,  
United States Senator.

HON. CLIFFORD R. HOPE,  
Representative of Seventh District.

DEAR SIRS: We respectfully ask that you use every effort at your command to have parity payments restored to the Agricultural appropriation bill for 1941. Not only are farm interests at stake but the property of the entire Nation depends on the farmers' return to parity income and a fair share of the national income.

Thanking you for your support in the past and hoping we can depend on you to take care of the farm interests of Kansas, we are

Respectfully yours.

Rice County A. C. P. Committee and Township Committeesmen: P. F. Wrens, F. R. Hays, Earl Spangler, O. M. Stevens, John Tweedly, W. R. Snell, Don R. Arnold, W. P. Jennings, Myrl M. Caywood, Elbert E. Grady, E. E. McAllaster, Dale Oswald, A. S. Neel, F. E. Ramage, Geo. W. Sidwell, W. E. Lattimer, Dwight A. Alexander, Guy Gray, Hamilton White, A. G. Crowl, Roy Schill, Frank Behnke, F. J. Habiger, Alvin Beck, Nelson T. Belden, Tony Colle, H. A. Sterling, Leo Shores, Leonard S. Massey, John Leclerc, J. M. Shumway, Homer Johnston, Stanley Z. Wells, Chas. V. Zile, John Cain, W. S. Stout, W. C. Iserce, Roscoe S. Haltom, E. A. Tobias, R. M. Edgar, Silas P. Smith, Frank Willand, H. F. Schmidt, Chas. E. Boldt, A. L. Dill, Bert Hoyt, David W. Keller, Geo. H. Schneider, J. B. Morris, B. E. McKee, Jim C. Bush, Grover C. Fry, LeVerne Olander, George S. Eathing, John C. Schubert, H. E. Datran, Geo. Heckel, L. U. Fair, R. S. Flora, E. E. Monroe.

MANKATO, KANS., February 3, 1940.

The Honorable ARTHUR CAPPER,  
Senator from Kansas, Washington, D. C.

DEAR SENATOR CAPPER: At a joint meeting of the Jewell County Farm Bureau Executive Board and Land Use Planning Committee we went on record as urging you to support the farm program as it has been operating in 1939 and 1940, including the financing of parity in 1941.

Sincerely yours,

C. E. BARTLETT, County Agent.

ABILENE, KANS., March 9, 1940.

Senator ARTHUR CAPPER,  
United States Senate, Washington, D. C.:

We demand that the Federal farm program be continued and improved upon, irrespective of which political party prevails at the next election. We wish to thank the township committees and county committee of Dickinson County for the courteous and efficient way that they have been handling their work. They are fair-minded and conscientious gentlemen. We say to them, "We thank you for the fine spirit with which you are performing your work." We also wish to thank the President of the United States, Secretary of Agriculture Wallace, and all Members of Congress, both Republican and Democrat, that have supported the farm program. We ask you to continue the good work, and we are grateful and appreciative of your efforts. We also think that having the farmers get together and discuss the farm program is a mighty good thing.

HENRY NOTTORF,  
E. L. HOFFMAN,  
MATT GUILFOYLE,  
Committee.

ST. JOHN, KANS., February 16, 1940.

HON. ARTHUR CAPPER,  
Washington, D. C.

DEAR SENATOR CAPPER: I am writing to you briefly in behalf of the parity payment for agriculture which the House of Representatives has recently denied the farmers. While we would all desire a reduction in unnecessary national expenses I do not feel that it is wise to economize at the expense of agriculture. Wheat prices are far below parity and to deny us parity at this time is to give a serious blow to recovery. I am sure the farmer has enough friends in the Senate, if they all work together, to restore the parity provision again. As president of the Stafford County Farm Bureau and as a farmer of Stafford County, I respectfully urge your most earnest efforts in giving to agriculture the aid it needs and deserves. I should like to see a move made in this session of Congress to restore the processing tax or some similar effective system as a means of financing aid to agriculture without drawing from the Treasury.

Sincerely yours,

JAMES W. TANNER.

Resolutions adopted by a group of farmers assembled in Leoti, Kans., December 18, 1939:

Be it hereby resolved by this group assembled, First, that we hereby approve the present agricultural program and believe that it should be continued without material change.

Second. We recommend that parity payments on our major crops be continued and that some method such as the processing tax be developed to finance such payments.

Third. We recommend that commodity loans be continued on all special commodities and that no material change be made in this program.

Fourth. We favor the continuation of the Federal crop-insurance program, but recommend that more equitable yields and rates be worked out.

CHAS. F. DURHAM,  
President, Wichita County Farm Bureau.  
R. F. REAM,  
County Grange Deputy.  
A. E. ANDERSON,  
Chairman, County Agricultural Conservation Committee.

HOLYROOD, KANS., March 9, 1940.

HON. ARTHUR CAPPER,  
Washington, D. C.

MY DEAR SENATOR: Find enclosed a copy of a resolution passed at the mass meeting of dirt farmers held on the seventh-anniversary celebration of our farm program.

Sincerely yours,

AUGUST STOLTENBERG,  
Chairman.

[Resolution]

Whereas this 8th day of March is the seventh anniversary since the enactment of our present farm program, and that many thousands of farmers have kept their farms as a result of the benefits from the farm program; and

Whereas the wheat farmer is still in financial distress as a result of the many years of disparity prices, and that many thousands of farmers are barely hanging onto their farms; and

Whereas the farmer has no purchasing power, with low prices, and cannot buy the things he needs, thus causing a delay in the return of the Nation to prosperity, and as the Nation's welfare depends on whether or not agriculture is in distress: Now, therefore, be it

Resolved, That we farmers assembled at Holyrood, Kans., on March 8, 1940, go on record expressing our hearty appreciation to the President, Secretary Wallace, and all Members of Congress who gave us our present farm program, and that we are 100 percent for the program and want it to continue, and that we urge Congress to provide the funds for full parity payments by enacting some form of processing tax, instead of appropriations, and that such legislation be made permanent, as the protective tariff now is permanent for the manufactures; and be it further

Resolved, That a copy of this resolution be forwarded to the President of the United States, Secretary Wallace, and to our United States Senators and Congressmen in this and other States.

AUGUST STOLTENBERG,  
Chairman.

KIRWIN STOCK FARM,  
Kirwin, Kans., March 14, 1940.

Senator ARTHUR CAPPER,  
Washington, D. C.

DEAR SENATOR: Enclosed find a petition signed by many farmers of Phillips County requesting adequate appropriations for agriculture for 1941.

We farmers know you favor adequate appropriations, but we believe these petitions will help you secure support from other Senators and Representatives.

Yours truly,

OTTO WERNER.

[Petition]

We, the undersigned, hereby use this method to express our sentiments to the legislative body of our Government in reference to the following:

It is highly important that the agricultural appropriation be secured in sufficient amount to provide adequate funds to properly administer all of the present programs with their various phases. This cannot be done with the proposed reduction. Agriculture must not suffer for the benefit of other appropriations.

R. W. Stoneman, Speed, Kans.; Chas. A. Green, Speed, Kans.; Catherine Apenhorst, Speed, Kans.; George Apenhorst, Speed, Kans.; Andrew Van der Wege, Speed, Kans.; J. I. Paramore, Speed, Kans.; John S. Farley, Speed, Kans.; C. J. Kern, Speed, Kans.; John A. Veeh, Logan, Kans.; Leonard Burch, Speed, Kans.; G. W. Billing, Speed, Kans.; W. L. Bruning, Phillipsburg, Kans.; William Bredemeier, Phillipsburg, Kans.; Mrs. Velma Bruning, Phillipsburg, Kans.; Floyd Fix, Speed, Kans.; Mrs. Floyd Fix, Speed, Kans.; Mrs. George Bushnell, Speed, Kans.; George W. Bushnell, Speed, Kans.; E. M. Eas, Speed, Kans.; Frank W. Miller, Phillipsburg, Kans.; Edgar H. Miller, Phillipsburg, Kans.; E. C. Pickel, Speed, Kans.; Earl Pool, Speed, Kans.; Elmer Parker, Speed, Kans.; K. Ebner, Speed, Kans.; Arnold Grote, Speed, Kans.; Edwin Meyer, Phillipsburg, Kans.; C. C. Beverly, Speed, Kans.; G. E. Seeger,



Speed, Kans.; William Veeh, Logan, Kans.; Charles Wirkle-bleck, Speed, Kans.; R. S. Fix, Speed, Kans.; Oera Wirkle-bleck, Speed, Kans.; Jack Fix, Speed, Kans.; August F. Eickhoff, Phillipsburg, Kans.; G. B. Washington, Speed, Kans.; E. W. Sayers, Speed, Kans.; John Selbe, Phillipsburg, Kans.; Jim Boyd, Speed, Kans.; A. C. Boyd, Speed, Kans.; John W. Fowler, Speed, Kans.; John Van der Wege, Phillipsburg, Kans.; Lyman Cadocef, Speed, Kans.; F. E. Kinter, Speed, Kans.; Albert Swanson, Logan, Kans.; Fritz Brenneke, Phillipsburg, Kans.; George Horn, Speed, Kans.; George Balbach, Phillipsburg, Kans.; Henry Balbach, Phillipsburg, Kans.; Otto Schuck, Speed, Kans.; J. H. Meyers, Phillipsburg, Kans.; J. H. Darnewood, Logan, Kans.; W. L. Boethin, Logan, Kans.; Fred L. Albright, Speed, Kans.; A. J. Beckman, Phillipsburg, Kans.; R. J. Fischli; W. E. Klein; Fanny Chestnut; H. R. Fischli, Logan, Kans.; Oscar Calhoun, Phillipsburg, Kans.; W. C. Boethin, Logan, Kans.; F. L. Kinter; C. A. Kinter, Logan, Kans.; J. E. Kinter, Speed, Kans.

GARDNER, KANS., February 17, 1940.

Senator ARTHUR CAPPER,  
Washington, D. C.

DEAR SENATOR CAPPER: The agricultural problem is one of great importance to Kansas. The writer having spent 25 years of the past 40 as cashier of a farmers' bank, is now operating 450 acres of inherited Johnson County land that was bought, mortgaged, and paid for in the eighties and nineties. The stockholders and directors of our two small banks, with a combined capital of \$40,000, consolidated and took care of more than \$100,000 of worthless farm paper without a dollar of loss to the depositors. This large percentage of loss started in 1921, when any aid to the farmer was unknown, and at a time when the businessmen of this Nation did not realize the importance of prosperity through agriculture.

With past experience and knowledge of the needs of the farmer of eastern Kansas, I feel free to speak in favor of a continuation of the A. A. A., and especially the soil-conservation part of the program. This land has been under the program from the beginning, and under my active work since 1936, and we have been more than well pleased with all results. We have returned every dollar of farm income back into the channels of trade, either through new farm implements or through electrification and modernization of this old homestead farm. Without the efforts of the Federal Government to give us some form of parity, this trade would not have been turned to industry.

We see the need of soil conservation on our land as well as the land of our neighbors, and we are strongly in favor of Federal control and organization in an effort to bring about a farm parity. We favor a processing tax on wheat as a just income. The factory worker in the city is better off with a 10-cent loaf of bread and a job than a 9-cent loaf and no job. When we buy his farm implements—combines and tractors—we pay plenty of processing tax. It is just as sensible to put a part of our farm to grass as it is for the big lumber corporation to let the trees stand in the forest because they cannot be turned into lumber and sold at a profit. If they will produce lumber for me at 2 cents per foot, I will produce wheat for them at 50 cents per bushel.

When more of our neighbors can realize that the agricultural program is not political they will join in the concentrated effort. The present overproduction of hogs is just a sample of what we would have in the wheat, corn, cotton, and tobacco without Federal efforts toward control.

Yours very truly,

H. O. CRAIG.

ABILENE, KANS., February 20, 1940.

Senator ARTHUR CAPPER,  
Washington, D. C.

DEAR MR. CAPPER: I have been very much surprised at the action taken in the recent session of the House of Representatives in regard to parity payments to farmers. I hope the Senate will not make the same mistake but will show that they can rise above politics in a question as serious as this one is. On this issue rests a number of important questions, and until it is settled we will have the farm problem with us. Along with the farm problem is unemployment, which is the aftermath of low farm prices, and they cannot be separated. Also the unbalanced Budget and the huge national debt go hand in hand.

It will not make any difference which political party is in power, either. But the issue is clear, and the farmers of the Nation are expecting this Congress to provide funds for the parity payment for 1941. If prices get above parity in the year named, that will be fine. It will make the Budget look that much better. If prices are not at parity, then the appropriation is allowed.

Farmers today are not going to ask any favors above that which is for the benefit of the Nation as a whole, because we know that if agriculture prospers, the Nation prospers, and if agriculture fails, all other business fails in time. Farmers are expecting cooperation from all industry in matters of legislation which is so vital to them.

Whenever a consumer demands lower prices for a commodity he is buying, he should first see if it is out of line with his or her wages. Because the little more that commodity may or may not bring may be the cause of some of his friends' unemployment. The difference between the price of all agricultural products and parity in the retail trade would not be noticed to any extent. Why any

people, if they understand the condition and what brought that condition, can ask for low farm prices is a puzzle to me. I think it the duty of every American to give the facts to the public by newspapers, radio, screen, and platform. If this is done, our farm problem is solved.

We appreciate your efforts in the past and know we can count on you to go to bat in this matter. We expect the funds to be made available either by appropriation or, better still, by a plan to make the farm program self-supporting and not be an issue at every session of Congress. It should be elastic, so that in years when parity is reached no payment is made. But in years when that isn't true the funds are on hand. We are going to measure every man in Congress as to how he has handled this question during this present session of the Legislature.

Yours very truly,

GRANT ENGLE,  
President, Dickinson County Farm Bureau.

GOODLAND, KANS., February 6, 1940.

The Honorable ARTHUR CAPPER,  
Senator from Kansas, Washington, D. C.

DEAR SENATOR CAPPER: The farmers of this community are deeply concerned with the efforts of certain factions of our Congress in attempting in the name of economy to do away with parity payments which, as you know, are provided for in the Agricultural Adjustment Act of 1938.

We feel that it is deeply vital to the continued existence of our democracy that agriculture be on a relative equality with industry. On behalf of the farmers of Sherman County we are therefore asking your active support in demanding that the appropriation for parity payments be reinstated.

After years of constant battle, we feel that we have, through the Agricultural Adjustment Act, secured a piece of farm legislation which, although not perfect, means everything to the farmers of this area.

Further, we feel that in order that this program can be maintained, it is not only practical but just that it should be self-supporting, and we are, for that reason, asking that you also actively support one of the so-called certificate plans of financing this program.

Very truly yours,

WALTER J. TRACKEL, Chairman,  
FRED BERGMAN,  
J. G. CURRY,  
Sherman County Agricultural Conservation Committee.  
L. MORGAN,  
Secretary, Sherman County Agricultural Conservation Association.

THE FARMERS EDUCATIONAL AND COOPERATIVE  
UNION OF AMERICA,  
Salina, Kans., March 14, 1940.

HON. ARTHUR CAPPER,  
HON. CLYDE M. REED,  
Washington, D. C.

MY DEAR SENATORS: Possibly no one in public life, in a position to render worth-while services to the farmers of Kansas and the Nation are the better qualified to render a greater service or to exercise intelligent judgment as to the crying needs of the western farmers than our United States Senators from Kansas.

I want to commend both of you gentlemen for what you have tried to do as well as what you have been instrumental in the way of accomplishment for the betterment of the farmers' situation.

Our State has lost half of our farm population during the past 40 years, thousands of our farmers have lost their farms, urban home owners have lost their homes, and we are rapidly drifting toward tenancy and sharecroppers for our farmers and tenantry among our urban population.

I believe both of you will agree with the mandates of the Kansas Farmers Union in conventions assembled, that the losses of Kansas farms have been due to the lack of farm income due to low prices for the products of the farm, the wide spread between the prices the farmer received for those farm commodities and the prices he was obliged to pay for the same commodities in the form of the finished products, which were all out of proportion to the prices he received for what he produced.

This disparity and loss of income has heaped upon the farmer a burden of debt, made it impossible for the farmer on the family-sized farm to support himself and family upon that farm, with the result that he was forced to abandon the farm as an owner, descended into tenancy, and finally into the small towns and cities, where he has entered the markets for the employment as laborers in competition with those already of the urban population, causing a further complication.

On behalf of the farmers of Kansas and the Kansas Farmers Union, I am soliciting your support for our debt-adjustment bill, S. 3509; the Lee tenancy bill, S. 1836; and the Farmers Union domestic-allotment bill, supporting the protection for the "family-sized farm as the ideal farm unit" to relieve the present urgent needs of the country.

Our farmers are unable to reconcile the opposites or the two extremes of abnormal surpluses of the necessities of life and practically a famine for nearly half of the Nation's population at the other extreme end of the income scale.

In the absence of a better program or policy that will solve the problems before us, we are making the appeal to you as our

legal representatives to give us your best endeavors, lending yourselves to the enactment into law of our sponsored programs during this session of the Congress, or in the event there should be developed a better plan or program, so advise us and we shall do our very best in the way of any assistance that the present unjust situation as it affects our farmers might become a reality and the farms and homes of our farmers might be preserved unto their present owners.

Soliciting your continued assistance and support of our State and National Farmers Union program and the projects indicated, I am,

Sincerely yours,

J. P. FENGEL,  
President, Kansas Farmers Union.

AMERICAN FARM BUREAU FEDERATION,  
Washington, D. C., March 11, 1940.

HON. ARTHUR CAPPER,  
United States Senate, Washington, D. C.

MY DEAR SENATOR: We greatly appreciate the action of the Senate Appropriations Committee in restoring the parity funds to the agricultural appropriations bill. However, to bring agriculture to a full parity position, we respectfully urge your support of our request for an appropriation of \$607,000,000 for parity payments and \$100,000,000 additional funds for disposal of surpluses.

Based on prices as of December 15, 1939, this amount is necessary if farmers are to attain parity income under the Agricultural Adjustment Act, whose principles we uncompromisingly support. We invite your attention to our testimony in support of these recommendations appearing on pages 518-544 of the Senate committee hearings.

Farmers are mindful of the sympathetic interest and action taken by the Senate in recent years in meeting the farm problem. Nearly 6,000,000 farmers are cooperating under this law you have given us. They are doing their part; they are looking to you to do your part by appropriating the necessary funds.

We reaffirm our belief that the restoration of agriculture to a parity position with industry and labor is a first essential for the sound solution of the unemployment problem and for complete national recovery.

Sincerely yours,

EDW. A. O'NEAL, President.

FARMERS EDUCATIONAL AND COOPERATIVE  
UNION OF AMERICA,  
NATIONAL LEGISLATIVE COMMITTEE,  
Washington, D. C., March 11, 1940.

HON. ARTHUR CAPPER,  
Senate Office Building, Washington, D. C.

MY DEAR SENATOR: We are enclosing our statement in regard to agricultural appropriations, filed with the secretary of the Subcommittee on Appropriations. We trust the views of our two large farm groups will be of real interest to you.

Cordially,

M. W. THATCHER, Chairman.

WASHINGTON, D. C., March 11, 1940.

To the Subcommittee on Agricultural Appropriations, Senate Committee on Appropriations, Washington, D. C.

GENTLEMEN: In accordance with resolutions approved by recent conventions of our two national organizations representing a great segment of the farm folks of the West and Central West, we desire to place before you for consideration our statement, as follows:

#### PARITY BENEFIT PAYMENTS

We have fully supported the operations of the programs of the United States Department of Agriculture, carried on under the 1938 Farm Act. Great benefit has accrued to the farmers of this country as a result of the administration of that act. While we have for some time past urged on the Congress of the United States legislation which would provide the revenue for carrying on the national farm programs, yet and until more definite and sound legislation for agriculture is adopted, we will continue to support subsidy appropriations directed by the language of the 1938 Farm Act.

Since we have no data that we believe we could reasonably use to indicate the amount of appropriations requisite to provide parity of income for the basic agricultural commodities designated in the 1938 Farm Act, for application to the next fiscal year, we suggest that it would be quite safe for the Congress to appropriate a minimum of \$300,000,000 for this purpose. If production and prices during the next fiscal year disclose that an appropriation of \$300,000,000 is in excess of the funds needed, of course such excess funds could be covered back into the Treasury of the United States.

Our organizations look with disfavor upon a system of distribution and its price-making devices which calls upon the Congress to appropriate huge subsidies each year as an implement to agricultural income and which program of subsidies as directed under the 1938 Farm Act requires farmers through their legislative representatives to come to the Congress each year and literally panhandle for these subsidies. We look upon continued increases to the national deficit as unnecessary in this regard, and, as we have suggested by the bills that we have caused to be introduced in Congress, we hope

that national legislation will soon be forthcoming which would use the income-certificate plan for those commodities to which it is readily applicable.

We will continue to give our full support to the 1938 Farm Act, and for continued subsidies in connection therewith for those commodities that apparently cannot well be protected with the use of the income-certificate plan.

#### FEDERAL SURPLUS COMMODITIES CORPORATION

We consider the creation of this Corporation and its administration one of the most fundamental programs of this administration. It enjoys our enthusiastic support. Universal approval is accorded to it throughout our country. The only criticism that is offered is the failure of this administration to extend and expand the usefulness of the stamp plan. We are informed that the so-called stamp plan is in use at 50 points, and that there is need and demand for it at some 700 places in the United States. We think it is logical and fair to state that, if it has proven usefulness, it ought to be used to the hilt. Conversely, if it is not a desirable program, it ought to be discontinued. If it is most desirable at 50 places, and is needed and desirable at 700 places, it seems fair to state that we are only making use of one-fourteenth of its possible value to the economy of this country.

Based on such information as we can obtain, an appropriation of \$72,000,000, along with the funds available under section 32, would carry on reasonable operations for a 12-month period in 100 areas, and, with an additional \$75,000,000, the program can be carried on in 200 areas. Based on the best estimates we can make, an appropriation of \$350,000,000 could blanket the United States in a most useful and important operation of this character. We urge that not only the \$72,000,000 item be restored, but that an additional \$75,000,000 be appropriated in order that this most worthwhile institution may carry the program for the next year into 200 areas.

This program is of the greatest value to agriculture, as well as to those who actually have been living below a required minimum diet. It materially affects those farmers who do not enjoy receipts of parity benefit payments. Under the stamp plan, there has been a great increase in the consumption of butter, eggs, beans, prunes, and other fruits and vegetables not designated as basic commodities under the 1938 Farm Act.

We have studied furnished data which indicate under a full national stamp plan an increase in the consumption of butter over 13 percent, 12 percent for eggs, 23.7 percent for beans, 34.2 percent for dried fruits, 30.9 percent for raisins as the result of the so-called stamp-plan program. Obviously, that shows the program working at both ends of the problem—overproduction and underconsumption. This meets the calamity cry that refers to plowing under cotton, killing pigs, etc., with an intelligent plan which feeds hungry people who have been plowed out of factories and dumped on relief agencies.

Certainly no thoughtful person in the Congress or the Nation would suggest, as a part of the program to balance the Budget, the denial of 2½ cents a meal to those who must have this little increase in expenditure for their diet if they are to have reasonable health and (for some of them) be physically able to carry arms. There could hardly be any point in making huge appropriations for armament and at the same time fail to maintain the physical well-being of those who would be first called upon to use the arms.

Our organizations resent the suggestion that the so-called stamp plan find its appropriations from that which is provided under the caption of "relief." We firmly believe that this so-called stamp plan is to remain with us for many years. The prospective international markets for our farm products, and the prospective market within the Nation for our farm products, while so many are unemployed, is the concrete evidence that the stamp plan carried on by the Federal Surplus Commodities Corporation is an inevitable and required part of the program to rehabilitate not only business but people. We appropriate—and properly so—\$500,000,000 against erosion of the farm lands, but we shudder to appropriate a comparable amount against the erosion of our people. The land is of no value without the people, except for those who can afford hunting lodges and feudal estates.

#### BANKHEAD-JONES ACT

We fully support the appropriation for \$25,000,000 with which to carry on tenant purchase loans.

#### TAXES

We fully support the use of an internal tax which would cover the difference between an unbearably low cash price and a fair parity price for agricultural commodities. It is the declared purpose of the Congress, and it is now generally supported by the people, to provide ways and means for securing parity prices and parity of income for agriculture. Therefore no one giving such approval could logically oppose the use of a tax on an agricultural commodity which merely equalizes the difference between the low price and the fair exchange price. We are opposed to a general sales tax or a general manufacturers sales tax because we cannot find any fair method by which it may be employed.

We urge the Congress to appropriate the amounts suggested in this statement.

Respectfully submitted.

NATIONAL FARMERS UNION LEGISLATIVE COMMITTEE,  
NATIONAL FEDERATION OF GRAIN COOPERATIVES,  
M. W. THATCHER, Chairman.

The PRESIDING OFFICER. The first amendment reported by the Committee on Appropriations will be stated.



The first amendment of the Committee on Appropriations was, under the heading "Office of Information—Printing and Binding", on page 8, line 7, after the word "elsewhere", to strike out "\$1,590,000" and insert "\$1,684,870", so as to read:

For all printing and binding for the Department of Agriculture, including all of its bureaus, offices, institutions, and services located in Washington, D. C., and elsewhere, \$1,684,870, including the purchase of reprints of scientific and technical articles published in periodicals and journals; the Annual Report of the Secretary of Agriculture, as required by the acts of January 12, 1895 (44 U. S. C. 111, 212-220, 222, 241, 244), March 4, 1915 (7 U. S. C. 418), and June 20, 1936 (5 U. S. C. 108), and in pursuance of the act approved March 30, 1906 (44 U. S. C. 214, 224), and also including not to exceed \$250,000 for farmers' bulletins, which shall be adapted to the interests of the people of the different sections of the country, and equal proportion of four-fifths of which shall be delivered to or sent out under the addressed franks furnished by the Senators, Representatives, and Delegates in Congress, as they shall direct, but not including work done at the field printing plants of the Weather Bureau and of the Forest Service authorized by the Joint Committee on Printing, in accordance with the act approved March 1, 1919 (44 U. S. C. 111, 220).

The amendment was agreed to.

The next amendment was, on page 9, line 15, after the word "Information", to strike out "\$1,940,000" and insert "\$2,034,870", so as to read:

Total, Office of Information, \$2,034,870.

The amendment was agreed to.

The next amendment was, under the heading "Office of Experiment Stations—Payments to States, Hawaii, Alaska, and Puerto Rico for Agricultural Experiment Stations", on page 11, line 6, after "386-386b)", to strike out "\$65,000" and insert "\$70,000", so as to read:

Hawaii: To carry into effect the provisions of an act entitled "An act to extend the benefits of certain acts of Congress to the Territory of Hawaii," approved May 16, 1928 (7 U. S. C. 386-386b), \$70,000.

The amendment was agreed to.

Mr. CHAVEZ. Mr. President, before we proceed further with the amendment, I should like to make a brief statement with reference to two or three items in the bill which appear to me to be of vast importance. I shall not delay the Senate long.

The first one is with reference to parity payments. I think the statements made by the Senator in charge of the bill [Mr. RUSSELL], the Senator from Kansas [Mr. CAPPER], and the Senator from Alabama [Mr. BANKHEAD] with reference to parity payments are most sound. However, I wish to leave one further thought with the Members of the Senate.

There seems to be some question as to the correct name of this particular item. It is called parity payments. To me it appears only as a question of guaranteeing something to the farmer. In many instances it is not a parity payment. If the prices of the products which the farmer produces reach a certain point, not a cent of the money appropriated for parity payments will be spent. All the amendment does is to guarantee that if the prices of the commodities of the farmers do not reach 75 percent of parity, then the farmer will receive a part of the appropriation.

Mr. President, I believe that anyone who feels that we should legislate in matters beneficial to all citizens of the United States, appropriate money for this, subsidize that industry, and take care of labor in the matter of wages and hours, should feel that we are justified in telling the farmer that he shall also be protected by the law and by the money of this country.

Mr. President, another item in the bill which should be of deep concern to the American people and those who think of the Government is the question of farm tenancy. This morning I heard the Senator from Alabama [Mr. BANKHEAD] give his definition of national defense. He believes that it should include a satisfied American people, including the farmers. There is no better way to bring about the proper kind of national defense than by having farm owners and home owners in the United States.

Farm tenancy has increased rapidly in this country during the past 50 years. I want the Members of this body fully to realize the importance of this particular item. Today in the United States more than 42 percent of all farmers, rep-

resenting about 2,865,000 families, are tenants; and the number of tenants has been increasing at the rate of 40,000 a year. We can talk all we wish about national defense; but if we keep on increasing the number of farm tenants we shall not have the proper kind of national defense. If this trend is not checked in the near future there is great doubt whether this Nation's traditional system of family-sized farms can long survive.

Three years ago Congress took the first step toward a remedy by passing the Bankhead-Jones Farm Tenant Act. Under this legislation, the Farm Security Administration has made loans to nearly 7,000 tenant families to enable them to purchase land of their own. Congress provided that this program should be started on a cautious, experimental basis, authorizing appropriations of \$10,000,000 for the first year, \$25,000,000 for the second year, and \$50,000,000 for each year thereafter.

Today, however, the experimental period is over and the program has proved itself ready for a sound and reasonable expansion. Repayments under the Bankhead-Jones program have exceeded expectations. Although only \$92,544 fell due at the end of the first year of operation, the borrowers repaid \$152,779, or 165 percent, of maturities. There is every reason to expect that the second year's collections, now under way, also will be more than satisfactory. In view of this splendid repayment record, there can be little question that the tenant purchase program has been established on a sound, self-liquidating basis. The Government is not giving anything to the farmer. The Government is only advancing some money by which he can obtain a home of his own. Every one of these loans is secured by a first mortgage on real estate, conservatively valued both by Government appraisers and by a county committee of three farmers who are thoroughly familiar with conditions in their locality. Moreover, the loans are repayable over a 40-year period at 3-percent interest. This means that in the great majority of cases the annual installments, plus taxes and insurance, amount to less than formerly was paid in rent for the same farm.

As a further protection for the Government's investment, every borrower must be approved by a committee of local farmers, who inquire carefully into his character and ability to make a success of a family-size farming enterprise. Loans are made only to American citizens, preferably with families, and additional preference is given to applicants who can make a down payment or who own the necessary livestock and equipment for operating a farm.

This year, although applications have been accepted in only about 1,300 counties, more than 133,000 requests have been received for the estimated 6,971 loans which it will be possible to make. This means that nearly 20 families have applied for every loan during this fiscal year. Moreover, almost 148,000 applications were received during the 2 previous years, and many of these must be reconsidered along with the current applications.

In view of these facts, it is obvious that the present tenant purchase program is by no means meeting the full needs of our farm people. Even if the full \$50,000,000 authorization were appropriated each fiscal year, it would be possible to make farm owners out of only about 10,000 tenants annually.

During the period from 1930 to 1935 the number of tenants was increasing four times this fast; and although no census information is available on the growth of the tenancy since 1935, it is safe to assume that the rate of increase has not materially changed.

What I should like to impress upon the Members of the Senate is that one of the most serious problems in this country is that of the tenant farmer, the man who cannot or does not own his home. A country, whether it be the United States or any other country, that has home owners, is a country whose people will defend themselves. They will defend their government. They will defend their homes. They will defend their flag.

Mr. HILL. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. FRAZIER in the chair). Does the Senator from New Mexico yield to the Senator from Alabama?

Mr. CHAVEZ. Yes.

Mr. HILL. The Senator has been making a very interesting speech on the subject of the elimination of farm tenancy, and has emphasized national defense, and what the elimination of farm tenancy means to national defense.

During the past few months the whole world has stood in awe and admiration of the example of heroism and valor the people of Finland have set. As the Senator knows, between 90 and 95 percent of the farmers of Finland—and that is a great rural, agricultural country—own their own farms, their own homes, and doubtless one factor which made those people stand and fight with such courage and heroism and valor was the fact that they were fighting for their own homes and their own firesides. An interesting thing to note is that not many years ago most of those people had no homes or farms of their own, and that they have been able to become home owners and farm owners because of the help and leadership of the Finnish Government.

Wherever the problem of farm tenancy has been met and has been solved, whether in Finland or in Denmark or in Ireland, it has always been done through the help and the leadership and the guidance of the government. Is not that true?

Mr. CHAVEZ. That is true, and that is the way it should be.

Mr. HILL. That is the way it should be; and yet in this country, with all of our vast wealth and vast resources, priding ourselves on having perhaps in many ways the highest civilization of any nation in the world, we find each year, as the Senator has said, a minimum of 40,000 farmers slipping out of the owner class into the farm-tenant class. We find that 42 percent of all the farmers of the Nation today are farm tenants; and in some States, like my own State of Alabama, we have a farm tenancy of about 65, or at least 64 percent.

I may say here that we Alabamans take pride in the fact that the farm-tenancy legislation under which we are making this appropriation to go in the pending bill was sponsored by my distinguished colleague the senior Senator from Alabama [Mr. BANKHEAD], who has played such a leading part in writing on the statute books so much legislation for the benefit of our farmers.

I do not wish to take too much of the time of the Senator from New Mexico; but some dozen years ago I heard Dr. William E. Dodd, then professor of history at the University of Chicago, refer to the American farmer as "the vanishing American." Certainly during these latter years since the World War he has been the vanishing American, in that he has been slowly but surely slipping out of the status in which he enjoyed the economic conditions and the economic opportunities that we think of as rightfully belonging to an American. Unless we go forward with this farm-tenancy elimination program and make substantial appropriations to carry it out, we shall no longer have a nation of farmers. We shall have a nation of peasants. Is not that true?

Mr. CHAVEZ. I believe the Senator is correct.

There is nothing that brings more pride to the average human heart than to see a young couple who actually believe in the American institution of marriage striving and sacrificing to own even a little shack and say, "This is ours. It is our home." In my opinion, Mr. President, no legislation passed since the coming of the New Deal is more important to the welfare of the American people and the Government itself than that sponsored by the Senator from Alabama [Mr. BANKHEAD] in saying to the American people, "We are going to help you. We are going to let you have some money. You will have to work; but in recompense for that work you, sir, when you pay as you are now paying, and as the record shows you will pay, will one day say, 'This is my home. This is my land. I am a free American.'"

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield to the Senator from Georgia.

Mr. RUSSELL. The late Mark Twain expressed the thought several years ago by saying that almost any man worthy of his salt would fight to defend his home, but no one ever heard of a man going to war for his boarding house. The same thing certainly would apply in the case of the farm

that is rented or is being occupied by a sharecropper, as all of us know who are familiar with the general type of buildings and facilities which are offered to those who are tenant farmers and sharecroppers.

Mr. CHAVEZ. Men will fight for a home when they will not fight for anything else.

Mr. President, the past actually comes back like a dream. Those of us who dare call ourselves free American citizens only have to go back and examine the progress of this country to find out readily how hard the American has fought for a home. After the Revolutionary War, and with the expansion of the United States through the vast areas to the west and the northwest and the south, what was the desire, what was the program which led to people from the eastern border or along the Atlantic coast making their way into Kentucky, into Missouri, into Illinois, and other places? They went there for the purpose of getting homes.

Another great piece of legislation enacted by the Congress of the United States in years past had the same idea and purpose. When the Homestead Act, affecting the national domain, was passed it was done for the express purpose of providing the American citizen with a piece of land, so that he could say, "This is my home. This is where I want to rear my family"; and see what that kind of progress has done in 150 years.

Through many circumstances, however, millions of families who formerly owned homes are now tenant farmers. Is it not good, sound policy to have the Government go ahead and carry out the purposes of the Bankhead-Jones Act?

Mr. President, there is another item that deals with the question of homes, the question of rehabilitation, and the question of good economics. That is the item which refers to water facilities. It is in the bill, beginning on page 86. That particular item is identical with the one contained in the 1940 appropriation act and in the 1941 Budget estimates. The item was eliminated from the House bill. It is believed by those who have investigated the matter that the item was disallowed by the House committee through a misunderstanding of the purposes for which the money would be used, since it was stated in the committee report on page 15 that it is the belief of the committee "that this activity, if it is to be continued, could be more efficiently conducted under the Reclamation Service."

The water-facilities program of the Department of Agriculture, Mr. President, which is financed from this item, stresses the development and construction of small water facilities, such as stock water tanks and ponds, wells, pumps, small dams, development of springs, water spreaders to guide floodwater onto hay bottoms or pasture lands, and similar improvements with a view to promoting better utilization of water and land resources in the arid and semiarid areas of the United States.

In that connection, Mr. President, let me say that out in the West water is the lifeblood of the existence of the people. Persons who have seen the Potomac and the Mississippi and the Hudson, but have not seen the semiarid country of the West, do not know what water is. Life itself depends upon trying to protect what little water one has. The rainfall is small. Hence this particular item has more to do with and will bring about more actual rehabilitation of farmers than anything else that can be done in certain areas of the country.

The emphasis of the water-facilities program is placed on improving agriculture, including stock-raising operations. The engineering problems are simple and of minor character. The water-facilities program is aimed at the rehabilitation of existing farm units. A poor farmer needs to put down a well on his place, even for domestic purposes. Can you not imagine the benefit the Government will confer upon that man by advancing him a few paltry dollars with which he can sink that well and actually keep his family in existence—money that he eventually pays back?

Water facilities are administered and maintained under agreements between the Department and the landowners, who agree to carry out essential land-use and water-conservation practices, and to repay the Government according to



their ability within a 20-year period at 3-percent interest. To date an average of approximately 60 percent of the Government expenditures is being repaid. Facilities developed under this project during the fiscal year 1939 averaged only \$600 of direct costs per item. Facilities are installed on individual farms and in small groups of farm families. To date most of the facilities installed have been on individual farms.

The House struck that item out completely, saying in its report, in effect, that the Reclamation Service is better able to handle that particular class of work. The Reclamation Service has been in existence for many, many years, and it has only 27 projects in the entire United States. That is proper, because it is dealing with big matters, it is dealing with construction that runs into millions of dollars, and it would not be in position to carry on the small work that is so necessary and so vital to the lives and the property of thousands of citizens.

I say to the Senate that it can be proven that in my State, with a little help in the way of appropriations for water facilities, we can do more good than by 10 times the expenditures in the way of relief. Go to some little community and the people will be found not to be in position to improve the little irrigation system, perhaps, not having the means to start with, and finally they abandon their little places and go over to the central point of relief distribution in order to get relief from the Government. Does it not seem fairer, and a sounder policy, to help those poor folks in communities with a little two-by-four advance of money, and let them carry on as they have been doing for years and years, being self-sustaining, having self-respect, instead of sending them to the relief rolls? I would rather have \$50,000 for small dams and improvements of little irrigation ditches in country villages and the little valleys between the mountains of my State than \$500,000 for relief. We would be doing more for human beings, more for the homes, really doing rehabilitating work.

Mr. President, the \$500,000 would not be expended in any particular area. The money would reach to thousands of places and, in my opinion, the expenditure would be in keeping with what we are trying to do for the farm tenant, saving someone's home, keeping a man in his home, giving him security and adequacy of income from water, which is so essential in my State and in Nevada, Colorado, and southern Texas that it is, as I have before stated, the lifeblood in those areas.

Mr. RUSSELL. Mr. President, I wish to make a very brief statement with reference to the remarks of the junior Senator from New Mexico [Mr. CHAVEZ].

Several members of the committee which handled the pending bill and conducted the hearings are not nearly so familiar with the subject matter of the so-called little dams and their value as is the Senator from New Mexico. He has certainly rendered a valuable service to all those who are interested in this program by his activity on the subcommittee which reported the pending bill. He has made a great contribution to the program.

I may further state, in passing, that no member of the subcommittee was more diligent in attending all the long and tedious sessions of the committee and all the hearings than was the Senator from New Mexico.

Mr. CHAVEZ. I thank the Senator from Georgia.

Mr. MEAD. Mr. President, during the course of the debate on the pending bill I intend to offer two amendments, neither of which will affect the bill to any noticeable degree insofar as the total appropriations carried in the bill are concerned. One of the amendments which I will send to the desk relates to the Agricultural Marketing News Service with respect to truck movements of fruits and vegetables. The second amendment which I shall send to the desk relates to an added item for crop and livestock estimates, especially as to fruits and vegetables.

Mr. President, in connection with the consideration of the pending bill, I assume that every Member of the Senate fully realizes the energy and the patience and the deep sympathetic consideration displayed by the subcommittee of the

Committee on Appropriations which held the hearings, not only to the Department of Agriculture, not only to the representatives of farm agencies, not only to the individual Members of the Congress who have appeared before the committee, but to the entire agricultural activity, to the entire agricultural industry, and because I know and can appreciate the great amount of work which was so sympathetically done I wish to pay tribute to the chairman of the subcommittee who is handling the bill on the floor of the Senate.

Certainly everyone who was interested and desired to appear has been heard; certainly every item in connection with the bill has been considered; certainly every person interested in a subject in any way related to the provisions of the bill has had opportunity to speak freely and to present his cause. However, I realize the necessity for compromise in all legislation. I appreciate the difficulties which beset the Senate committee in the consideration of the bill. I know what the Bureau of the Budget recommended, and I realize the attitude taken by the committee at the other end of the Capitol. I know that as a practical, realistic matter the chairman and the members of the committee have gone a long way toward giving us a well balanced, reasonable, logical, and practical measure. As I stated a moment ago, compromise is always necessary, and in this case I believe that one or two other items can well be considered in connection with the current law and added to the pending bill.

Mr. President, much objection will be raised against the bill because of the fact that it does not in all particulars carry with it the approval of the Bureau of the Budget. Some objection will likewise be presented because of the present unbalanced condition of the Federal Budget, and while I believe, as a natural inclination, that it is well for us to be guided, in some degree, at least, by the attitude of the Bureau of the Budget, while I realize how commendable an undertaking it is to effect at an early date a balance in the Federal Budget, I am different in my approach to that ultimate objective than are some of those who will vote against adding the items which may be called for by my amendments, or recommended by other Members of the Senate in connection with the consideration of the bill.

Mr. President, I believe that agriculture, a basic industry, is suffering from an ailment kindred to that which is evidenced in every other agricultural nation on earth, viz, the steady and ceaseless tendency toward overproduction. I also believe that if we are to have any semblance of balance in our Budget, we must have a balance in the Nation's economy; there must exist a balance between that which we are able to produce and that which we hope we will be able to consume. There must be a balance between available workers and job opportunities.

Because every agricultural nation in the world is suffering from overproduction, they have, in imitation of our own country, attempted by some method to eliminate devastating surpluses. Here, we have tried repeatedly, since the coming of these agricultural surpluses, with their attendant rural impoverishment, to buoy up our agricultural economy by various methods. In the Hoover administration, surpluses were purchased and stored in warehouses, in elevators, and in ships, but we found that surpluses, repeated year after year, rose up to destroy our agricultural prosperity. The present administration, taking over the responsibilities of government at a time when chaos and confusion characterized the national state of affairs, ordered immediate crop reductions all along the line where surpluses existed.

Everyone here knows that while that was essential to save our national well-being, while everyone appreciates the fact that we were then in the midst of the most devastating crisis in the peacetime history of the United States, and while history, when fairness and impartiality takes the place of bitter partisanship, will relate that the work accomplished by the leadership which took over the control of affairs in 1933 was unparalleled in history, yet we were severely criticized for the methods adopted then to care for our farm surplus

problem. Plowing under, the slaughter of pigs, the limitation of farm acreages, and all the other efforts and methods met with bitter partisan denunciation from those who admitted they could not solve the farm problem when it was theirs, and from those who confessed they had no solution for it when it was ours.

#### WE NOW HAVE AN ADVANCED AND INTELLIGENT FARM PROGRAM

Mr. President, in the light of experience both here and abroad, under the leadership of the distinguished Secretary of Agriculture, with the guidance of the Committees of the House and Senate, and the sympathetic cooperation of Members of Congress, we have devised what, in my judgment, is the most advanced and intelligent farm program in the history of our country.

The country has seen the work of this administration in rehabilitating tenant farmers and sharecroppers, in providing parity payments, in the many improved services for those engaged in the production of fruits and vegetables, the liberal farm credit policy of the Government, the attempt to rebuild rural community areas by a rural housing construction program, and the extension of electrical services to thousands of farm homes that never before enjoyed the benefit of these advanced facilities. Many other devices, methods, and agencies have been developed by the present administration. The farmer is better off today than when this administration came into being. So I wish to pay my respects to the tireless energy and the zeal of the administration in general and to the Secretary of Agriculture in particular.

Let me say that while I come from New York and while a great many persons believe that New York is just one great financial street we are, as a matter of fact, one of the largest agricultural producing States in the Union. We lead the United States in four or five crops, both in value and in volume of production. The value of our dairy industry exceeds that of any other State.

New York is a great agricultural State, one of the greatest in the Union, and as its representative in the Senate I should take a deep interest in an agricultural appropriation bill. I have an interest in the farmers of my State and I have evidenced that interest ever since I came to Congress, even though I represented an urban district, rather than a rural area, while I served as a Member of the House.

Mr. HILL. Mr. President—

The PRESIDING OFFICER (Mr. SCHWARTZ in the chair). Does the Senator from New York yield to the Senator from Alabama?

Mr. MEAD. I yield.

Mr. HILL. What the Senator has said is, of course, correct. We who live outside the great State of New York sometimes think of New York simply as a great industrial State.

Mr. President, I had the honor to serve with the distinguished Senator from New York for many years in the House of Representatives before he and I came to this body. In fact, as I recall, the Senator from New York and I entered the House of Representatives at the same time. I want to testify to the fact that the farmers of the country have no more faithful, no more devoted, or no more able friend than the Senator from New York. Just as we find him here today looking out for the farmers' interests and endeavoring to do what he can to promote the farmers' interests, so he was ever diligent and ever faithful when he was in the House of Representatives.

Mr. MEAD. Mr. President, I thank my distinguished colleague for that very complimentary, though undeserved, interjection.

Many years ago, while a Member of the House, I became extremely interested in the McNary-Haugen bill. We organized an unofficial group of Representatives who were in sympathy with agriculture, and who recognized even at that time that farm income was diminishing, and that unless we realized the situation confronting agriculture, a severe crisis would certainly come upon us.

I was selected by that body as the chairman of its executive committee and, as such, I tried with all the energy at my command to convince my colleagues of the great need for

enacting legislation along the line provided for in the McNary-Haugen bill. I do not know how much of the failure was due to the chairman of the executive committee, but we could neither convince the Congress nor the administration at that time that there was need for serious action in order to save agriculture.

At any rate, we failed until the present administration came into being.

#### MARKETING NEWS SERVICE

At this point I want to suggest two added amendments which, in my judgment, will add to the perfection of the measure now under consideration.

One of the amendments which I sent to the desk calls for an appropriation of \$75,000 for marketing news service on the truck movement of fruits and vegetables. The truck movement, so far as fruits and vegetables are concerned, affects the general movement of these commodities, and is rather a recent development. It grew up with the automobile industry, unnoticed at first, until today it affects a large volume of the commodities moved from farm to market. If we are going to furnish the farmer with information concerning these commodities by other methods of transportation then this new method of transportation must have the same care as every other method.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. MEAD. I am glad to yield.

Mr. McNARY. I may be pardoned for making this statement, but when I was chairman of the Committee on Agriculture many years ago I assisted in advancing the marketing news service, and, of course, have been interested in it since, and am now. I thought the offices we established throughout the country did take into consideration data concerning the shipment by truck of fruits, vegetables, and perishables. Is that not true?

Mr. MEAD. That is true to a certain extent.

Mr. McNARY. Then the Senator simply wants to expand that service now to different sections of the country?

Mr. MEAD. Yes; to make it more complete, as I said.

Mr. McNARY. When the Senator used the word "complete" I thought he wanted to obtain further and additional data which might be applicable to trucks, which used to be applicable only to commerce borne by water and by rail.

Mr. MEAD. I wanted it to be complete for every section of the country and every method of transportation. I appreciate my distinguished colleague's interjection, and I realize his deep and sympathetic attitude toward agriculture.

Truck movement of fruit and vegetables is playing an increasingly important part in distribution. It is estimated that approximately 50 percent of fruits and vegetables move to consumer markets in trucks. That gives Senators an idea of the development of this industry, and of the need of a complete news service affecting the marketing of these commodities.

When this produce came to market by trains and by ships, the reports of the Department of Agriculture made it possible to estimate in advance the probable market situation. This service provided a stabilizing influence to the market. With the advent of the truck, however, and the lack of information as to truck movements, the sudden arrival at the market of several truckloads of commodities has made the establishment of fair and reasonable prices difficult for both farmers and buyers. In other words, it leaves a chaotic condition when a stable condition would be more helpful to producer and consumer.

To alleviate this distressing condition, \$75,000 additional is needed in order to have a more complete service with respect to the movement by truck of fruits and vegetables.

The Market News Service conducted by the Department is the only comprehensive service the farmers have to keep them advised of day-to-day changes in market conditions. Its value to the farmers and distributors has been firmly established. They could hardly do without it. The absence, however, of adequate reports of supplies moving by motortruck seriously impairs the value of marketing news service on shipments by rail and by boat.



## CROP AND LIVESTOCK ESTIMATES

Mr. President, the other amendment which I shall call up provides for an appropriation of \$100,000 of additional funds for crop and livestock estimates, especially for fruits and vegetables. In explanation of the amendment, let me say that the production of fruits and vegetables occupies one of the most important activities of farmers throughout the Nation. Fruits and vegetables are grown commercially in every State of the Union. While not all fruits and vegetables are grown in every State, especially for commercial production, yet every State has some fruits and some vegetables to contribute to the national economy.

The production of fruits and vegetables utilizes about 15,000,000 acres in this country. Their production accounts for approximately one-seventh of our total agricultural income. This production has greatly increased in the past 20 years, particularly as to vegetables, there being about two and a half times the vegetable production of the early 1920's. Notwithstanding this increase, the Department of Agriculture estimates on the dietary habits of the people of the Nation indicate that there are not enough fruits or vegetables produced to provide a balanced diet for all the people of the country. To effect a balanced diet and increase and encourage the proper production of these commodities would result in a general wholesome improvement in national health and well-being.

The present funds of the Department of Agriculture do not permit the continuance of reports on the marketing of fruits or vegetables, either frequently enough or in sufficient detail to enable the farmer intelligently to market his complete crop. Estimates of production for the most part have been issued monthly. Many fruit and vegetable crops begin the movement to market in an interval between the time the monthly reports are issued and when weather conditions or catastrophes render such monthly estimates completely out of date.

This makes it necessary for weekly reports to be of real value in the marketing of such commodities. Weekly reports, taking the place of monthly reports, would render a much better service and would allow for the interference of untimely conditions which render ineffective the infrequent reports necessitated by existing appropriations. Greater detail in reporting, along with more frequent reporting, would enable the farmer to adjust his marketing practices to the needs of his consumers.

My first amendment calls for an appropriation of \$75,000 and is for an improved news service on the truck movement of fruits and vegetables. The second amendment calls for an appropriation of \$100,000 for more frequent reports on fruits and vegetables and their marketing.

In view of the vast increase in fruit and vegetable production in this country, in view of the unfavorable condition—growing progressively worse each year—of the fruit and vegetable producers, and because of this new element in the transportation of fruits and vegetables—namely, the trucking industry—and also because of the very large producing areas adjacent to industrial centers which are devoted to the production of fruits and vegetables not now receiving the attention of the Department, I really believe that the two amendments I have sent to the desk should be included in the bill. Both of them are recommended by the farm organizations; both I know are essentially necessary to the orderly marketing of these important crops.

Each of the 48 States is now engaged in the production of fruits and vegetables, and each is vitally interested in the expansion of these two services. A few years ago, these services were curtailed in a number of important cities of the Nation, including my own home city. It occurs to me that instead of curtailing these services, as a result of the increased production of these two crops, we ought to be expanding the services.

## NEW YORK MARKET REPORTERS MADE A VOLUNTARY EXPERIMENT

Mr. President, for a period last summer, and throughout the autumn, the market reporters for New York markets agreed to put in extra time in order to send out a 6 a. m.

market report on fruits and vegetables. These men agreed to work overtime, to volunteer their services, to render to agriculture in that portion of the country the service which this amendment contemplates. In a word, they "tried it out." They gave this service as a sort of personal sacrifice toward the development of an improved agricultural economy. These men reached the market about 4 o'clock in the morning, and at 6 o'clock they released their reports. Radio stations carried the reports to farmers back in their homes at breakfast, and gave them the very latest information—complete information as to the condition in the markets at that particular time. They gave them information which would stabilize the market, information which would enable them better to serve the consumers and themselves—enlightenment which is necessary in the proper conduct of any industry. The service worked well. It worked so well that it would be difficult for our farmers to get along without it, to relinquish a gain they have already made, and to yield when victory is seemingly in their hands.

It is safe to say that this system proved to be one of the most popular services we have ever had. For several months the reporters on the New York market put in 12 hours a day just to try out the plan, and certainly they are entitled to much credit. It is obviously unfair to request them to continue working on this schedule. They cannot do it. In my judgment this important work ought to be made permanent. The only way it can be made permanent is by the approval of the amendment which I have sent to the desk.

Mr. President, the orderly processes invoked by this administration to stabilize the agricultural economy of our country were without a peer among the agricultural nations of the world; and certainly nothing in comparison was ever contemplated by any previous agricultural administration. Only the sympathetic cooperation of the President of the United States, the intelligent application by the Secretary of Agriculture and his aides to the discharge of a duty and responsibility, and the earnest and willing cooperation of the Congress—and particularly those in the Congress in charge of agricultural legislation—made this enviable record possible.

## DISTRIBUTION OF SURPLUS COMMODITIES IS A SUCCESS

I wish to support the disposition of surplus commodities by the Federal Surplus Commodities Corporation. I am particularly interested in the activities of that branch of the Department, first, because the farm program is a national one; and, second, because I know of few activities by which the problems of the city and the country are dealt with more effectively than through this Corporation.

Last year Congress made available through the Federal Surplus Commodities Corporation an amount equivalent to 30 percent of the customs revenue, and in addition, \$113,000,000 to deal with surplus problems. Stated in the simplest terms, this is what the Secretary of Agriculture has been doing with that money:

He has been using it to help farmers faced with surplus agricultural production and low prices. According to the annual report of the Corporation to Congress those funds made it possible to buy nearly 2,000,000,000 pounds of foodstuffs. Farmers in every State received help from this activity, and needy people in every State were benefited, for every pound of the supplies went to unemployed persons. Simply and effectively by that operation it was possible to help the farmers and to help needy persons as well. That activity helped to cut through the paradox of unfilled needs in the midst of plenty.

Some of us may live in cities, but nevertheless we have a real appreciation of the farm problem and of the scientific methods applied by this administration in the solution of that problem. We want the products of the farm, and we know that the farmer must have a decent living if we are to obtain them.

We know, in addition, that through the activities of the Federal Surplus Commodities Corporation our State and city welfare departments are receiving help to meet the problems of poverty and need. Some wishful thinkers had

the idea that when war was declared, in spite of its horrors, it would mean prosperity to the United States. That this is not so we all know. It cannot be so, because as nations engaged in war or in preparations for war initiate purchases in our market of goods which are listed as equipment for war, they necessarily curtail their purchases of farm products and of other commodities in this country. The situation in providing exchange for such goods makes it compelling that they do so. We have all had experiences with either the elimination of the purchase of farm commodities or the threat on the part of other nations to cut off the purchase of farm commodities in the United States. We know that if they buy an airplane, they will not buy an added bale of cotton. We know that if their money is to be used in the purchase of ammunition, it will be withdrawn insofar as the purchase of tobacco is concerned. So the argument that war means a boom to the farmers of America is not a reality; nor is it contended to be such by anyone who knows the farm problems.

I was very much interested to find that during the past fiscal year the Federal Surplus Commodities Corporation spent about \$2,000,000 for apples, pears, and raisins. I have just been informed that during the current fiscal year they spent about \$20,000,000 for those commodities. The reason is very simple. The foreign markets do not exist for those products in the way and in the volume in which they have existed in the past. Unless we realize the chaos that might develop in our agricultural economy as the result of these violent interruptions of purchases by foreign governments, as the result of these apparent shifts from agricultural goods to military equipment, and unless we make ready to meet those violent changes, we shall be faced with a very unstable condition at home.

The war has not settled our problem of unemployment any more than it has solved our agricultural problem. We hear a great deal of comment about the number of unemployed in this country. The unemployment problem is involved in this provision of the agricultural appropriation bill, because while the Federal Surplus Commodities Corporation makes its purchases from the farm, they are ultimately consumed by the unemployed in the urban centers of our country.

With reference to the actual number of our people who are unemployed, I should like to believe the most favorable reports I have read lately, but as I delve into the statistics I am afraid I must subscribe to those which have been furnished by such organizations as the American Federation of Labor and others who have been studying the subject for a long period of time.

I find that the Federal Surplus Commodities Corporation has made available surplus commodities to about three and a half million families. From these statistics we can get some idea about the number of unemployed. The heads of these families, with their dependents, include a total of 13,500,000 persons who would be unable to consume the commodities which the farmers have produced with so much effort were it not for this particular agency of the Department of Agriculture. If we add to that number of 13,500,000 persons all those who are employed by W. P. A. and other Federal and local work-making programs, and then, if we ascertain how many of the 13,500,000 persons are of working age, we shall, in my judgment, come to the conclusion that somewhere in the neighborhood of eight or nine million persons in our country are without work today. The point I wish to make, however, is that this is a dual activity—beneficial on both ends—as helpful to the farmer as it is to the urban relief worker. It should receive the support of those who believe in a stabilized agricultural economy, and it certainly should have the added support of those who believe in properly and adequately taking care of those of our people who are on relief.

I am interested—and I know my colleagues are—in needy people, no matter where they may be. Therefore this item in the appropriation bill as it pertains to the future efficacy of this agency will, in my judgment, receive almost united support.

#### FOOD STAMP PLAN IS TREMENDOUSLY POPULAR

Like many of my associates, I have been watching with a great deal of interest another new development which has to do with the elimination of the devastating agricultural surplus.

That new activity is commonly referred to as the food-stamp plan. The food-stamp plan was tried out in Rochester, N. Y., in close proximity to my home. That is the first city in which the experiment was ever attempted. I know, and I can tell my colleagues, that it has been a tremendous success there. The people of Rochester, whether they be bankers or merchandisers or relief workers, no matter what their category, are willing to recommend a continuation of this method of getting the surplus from the farmer to the worker in the city. The increase in the commodities placed on the surplus list not only give promise of better markets for farmers, but mean that the neediest persons in our community are getting more of these protected foods. Moreover, every phase of retail and wholesale trade is uniformly stimulated. Even the bankers, who for a short time thought the increased business was causing them too much trouble, have ended by cooperating fully with the food-stamp plan.

Rochester is the only city in New York which has been designated for the food-stamp plan. I understand that the plan has been announced in about 60 other cities throughout the country, and that within the next few months it will expand to about 100 cities in all. I know that my State represents one of the largest markets for agricultural products in the United States; yet, because it is a big State, there is real danger that many of the areas which would be very materially helped by the program may not be designated.

The Senate is now considering the addition of \$85,000,000 to the funds available to the Federal Surplus Commodities Corporation for the program which has been so carefully tested and has proved so successful. It is my understanding that if such funds are made available, all of them cannot be used for the expansion of domestic consumption. Approximately one-half of the funds probably will be necessary for export encouragement, for the development of new uses, and for other current activities. Consequently, with the amount of money now under consideration, it will not be possible to do much more than run the program for the coming fiscal year in the 100 areas which will be selected this year.

According to the reports I have received, more than 700 communities in every section of the Nation have requested this program, and more applications are coming in all the time. The applications are not emanating from farm areas. They are not conveyed to the Department of Agriculture by representatives of farm organizations. The requests emanate from the urban centers of the country. They carry with them the recommendation of the chamber of commerce, of the board of trade, of the welfare department, in some cases of the bankers, and of other elements which are to be found in the cities of the United States. This program has proved itself to be very successful; and I desire again to make the point that the requests which are coming are not coming from the farmers of the country but from those who would benefit equally with the farmers who live in the urban centers.

As I have said, according to the reports I have received, 700 communities are now requesting the extension to them of the food-stamp program. I know of no areas in my State which do not want to have the program, and all would like to have it at a very early date; yet, Mr. President, very little expansion will be possible unless Congress appropriates more money than is being considered in connection with this bill.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Wisconsin?

Mr. MEAD. Yes; I shall be glad to yield to the Senator.

Mr. LA FOLLETTE. I have tendered an amendment to provide for the appropriation of \$113,000,000, which is the same amount that was appropriated out of the Treasury last year for this purpose. I hope the Senator will be here to help us adopt it.



Mr. MEAD. Let me assure the Senator from Wisconsin of my support of the amendment which he proposes. I believe it will prove itself a very valuable asset in the stabilization of our agricultural economy. I am glad the Senator has taken an interest in this item. I know of his genuine interest in agriculture, and I am pleased to know of his particular interest in this item.

Mr. President, in my own thinking on this matter I have been guided by two principal considerations. The first is that this is a good program, with overwhelming public support. It is good for the farmers, for the unemployed, and for the businessmen. The second point is that the expansion has been gradual, with careful, businesslike administration. In view of the problems of the farm and the city, I very strongly feel that the designation of new communities during the coming fiscal year should not be impeded.

Last year, as the distinguished Senator from Wisconsin has stated, we made available \$113,000,000 for this kind of work. This year we are talking about appropriating \$85,000,000—a curtailment of a program which, in my judgment, should be expanded. In my opinion, the developments of the foreign and domestic situations, and the emergence of a new program which is fundamentally sound, justify not only the appropriation of an amount of money at least equivalent to the amount we made available last year but an extension of the program and an increase of the appropriation.

I think we should make available sufficient funds to provide for at least 100 additional cities during the next fiscal year. This is an activity which is broadening the market for domestic agricultural products, and a program which does it by increasing the welfare of the people of our own country.

I do not like to face the responsibility for hampering one of the soundest developments in agricultural policy that we have witnessed in recent years. If 200 communities can be included in this program, we shall know that millions of farmers have been assured better markets for meats, dairy products, poultry, fruits, and vegetables. By the same token we can be sure that millions of needy people in our own country will have more of the food we are producing. That is why I believe it is simple caution and good common sense to make available to the Federal Surplus Commodities Corporation at least as much money as was made available last year.

I wish to say, Mr. President, as I conclude, that reviewing the history of the agricultural nations of the earth, particularly since the termination of the World War, we find that as a result of machine innovations and the adoption of new methods and refinements, every nation in the world considered a major agricultural producing nation is producing more than it can market; is producing more than it can by its own internal program utilize without great loss, and in some cases without the ultimate destruction of the commodity. There was a time when wars were fought to acquire added acreage, in order to feed the peoples who lived within the conquering nation, but today it is not a case of adding to the productivity of the nations; the nations have another problem, that of eliminating overproductivity. America leads in the formation of an intelligent program for the elimination of its surplus agricultural commodities, and no agency has made a better contribution to that end than the Federal Surplus Commodities Corporation. I think the man who is at the head of that corporation, and those who aided him in the formation of this intelligent approach to a solution of the problem, merit our approval and our support, and we can best give it to him and to them by the adoption of the amendment which will be offered by the Senator from Wisconsin.

Mr. NYE. Mr. President, I shall detain the Senate but 5 or 6 minutes, to address myself to the appropriation bill now pending.

The increases which the Senate committee has written into the pending agricultural appropriation bill are more than justified. To attack the increases as being out of step with efforts to avoid increased taxes or raising the governmental debt limit is not justifiable.

The bill, as reported to the Senate, calls for \$922,000,000, \$208,000,000 more than when it passed the House. However,

the Senate committee bill is still two hundred and sixty-two million under the appropriation for agriculture for the present year. What other department of the Government can show as large a cut in its appropriation from this year to next as that demonstrated at the moment, for agriculture? There is none.

Agricultural interests have every right to complain bitterly about the treatment they are receiving at this time. From the Budget offices of the administration, on up through the Halls of Congress, the economy paring knife has been used, not only freely, but carelessly, upon those items which would aid the farmer. The farmer seems to be looked to as the one to pay for every new gun and ship, for which a mad armament program calls, and this at a time when agriculture is in most desperate need.

As a member of the subcommittee of the Committee on Appropriations, over which he presides, I wish to pay my compliments to the junior Senator from Georgia [Mr. RUSSELL], who so patiently has labored through weeks of hearings to the end that worth-while gains might be saved for agriculture. His service through these years should never be forgotten by the farm people of every State. He has been able to win and save them much.

It is not becoming to us that we should find heart to cut or restrict benefit payments and other aids intended to accomplish fair prices for agriculture. It certainly is no cause for pride to point to the fact that while we acknowledge agriculture to be the foundation of the largest part of our Nation's prosperity, we permit so little of the national income to be shared by the farmer. The farm people constitute one-fourth of our entire population, yet are enjoying only 6 or 7 percent of the national income. How long may we expect such a condition to continue without dire consequences to the whole Nation?

Instead of increasing the amount carried by this agriculture appropriation bill by only \$208,000,000, as the Senate committee has done, we would be fully justified in increasing it by at least \$700,000,000. To do that would be only to fulfill the assurance of the Government to the farmers of something approaching a parity plan, and that was the assurance given in the passage of the farm-parity bill. We pass the law and then refuse to appropriate the funds necessary to comply with the law.

If this policy is to continue, we would better acknowledge the farm program a failure and move in its place such law as would insure an American price for that part of farm productions consumed by Americans and make the payment of such prices in no degree dependent upon appropriations by Congress. If the present program is to be continued, then we ought to show our good faith by providing the funds necessary to its success, if not by direct appropriation, then by some such legislation as the wheat-certificate plan. I do not prefer this plan except as it shall be demonstrated that no chance exists for the cost-of-production program as a substitute for the present farm program, and except as Congress may refuse to appropriate what is necessary to pay parity prices under the existing law and program.

As to balanced budgets and the avoidance of increasing debt limitations, let me suggest that not all this desirable thing be taken out of the farmer. And at this particular time it ought to be noted that so long as one-third of our total estimated governmental income for the year is budgeted for the Army, Navy, and armament, at least one-third of any economy cuts ought properly be exercised upon those Budget estimates. Operation upon these tremendous items is the real opportunity given Congress to accomplish economies. But to cut these agricultural appropriations more than the two hundred million already cut is to insult plain common sense.

Mr. WILEY. Mr. President, I desire to speak only a few moments in relation to the subject commented on by the Senator from North Dakota [Mr. Nye], who has just addressed the Senate.

I agree that the farmer, especially the dairy farmer, is the Nation's No. 1 forgotten man so far as Government aid is

concerned. Out of almost a billion-dollar appropriation for agriculture it seems singularly strange that the dairy farmer does not get much help. The only item in the entire bill that is earmarked for the dairy industry is an appropriation for the Bureau of Dairy Industry, and that provides for total salaries and expenses of \$731,405, out of which amount \$353,580 may be expended for personal services in the District of Columbia. That does not leave much for the dairy farmer himself. The bill is top-heavy in its administrative costs and lopsided in its benefits.

We must remember that the dairy farmer gets none of the parity payments. There is also provision for the disposal of surplus commodities, \$85,000,000 being appropriated for that purpose, but that, too, fails to pull the dairy farmer out of his economic bog.

My colleague the senior Senator from Wisconsin [Mr. LA FOLLETTE] is to offer an amendment which I will support 100 percent, and which has been commented on by the junior Senator from New York [Mr. MEAD], the amendment calling for the appropriation of \$113,000,000. On March 30 last year I offered an amendment to the bill then pending asking that an additional \$50,000,000 be used for the purchase of dairy products.

Mr. President, everyone appreciates that proceeding in this manner does not provide a cure, it is a palliative; but as we look abroad over this land of ours and see that the farmers, who compose the great economic segment which is, in fact, the very backbone of the Nation, are the ones who have not been receiving their just proportion of the national income, we can step aside and say that we will agree to a palliative in order to assist the farmer until a cure can be found.

Mr. President, I desire to insert in the RECORD certain tables which show how farm income in 1939 compares with farm income in 1929. They show that Wisconsin, the great dairy State, ranks forty-second in the list of State farm incomes and compared with other States she is receiving now 72 percent of what she received in 1929, whereas other States, which are receiving great sums from the Government have incomes over 100 percent parity. For example, we can consider Arizona 108 percent, Florida 104 percent, North Carolina 103 percent, and so on.

I ask that these tables be incorporated in the RECORD.

The PRESIDING OFFICER. Is there objection?

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

THE OBJECTIVE OF THE A. A. A. IS TO ASSIST THE FARMER IN OBTAINING A FAIR SHARE OF THE NATIONAL INCOME

*Farm prices compared with parity 100, Feb. 15, 1939*

	Percent	Percent
Butter, at 25½ cents.....	74	-26
Wheat.....	51	-49
Corn.....	54	-46
Oats.....	52	-48
Cotton.....	53	-47
Eggs.....	61	-39
Hogs.....	79	-21
Beef cattle.....	105	+5

Average A. A. A. payment, 160 acres, Wisconsin, equals \$120.

Average A. A. A. payment, Corn Belt, \$400.

*How farm income in 1939 compared with 1929*

	Percent
1. Arizona.....	108
2. Rhode Island.....	105
3. Illinois.....	104
4. Florida.....	104
5. North Carolina.....	103
6. New Jersey.....	100
7. Ohio.....	98
8. New Mexico.....	98
9. Iowa.....	96
10. Indiana.....	94
11. Massachusetts.....	94
12. Michigan.....	93
13. South Carolina.....	93
14. Pennsylvania.....	91
15. Wyoming.....	91
16. Louisiana.....	90
17. Connecticut.....	90
18. Minnesota.....	88

*How farm income in 1939 compared with 1929—Continued*

	Percent
19. Kentucky.....	87
20. Colorado.....	86
21. New Hampshire.....	86
22. Oregon.....	84
23. Missouri.....	83
24. New York.....	83
25. Vermont.....	83
26. Idaho.....	82
27. Delaware.....	82
28. Utah.....	82
29. Tennessee.....	81
30. Montana.....	80
31. Texas.....	80
32. Arkansas.....	80
33. West Virginia.....	79
34. California.....	79
35. Maryland.....	78
36. Virginia.....	77
37. Washington.....	75
38. Nevada.....	75
39. Oklahoma.....	73
40. Georgia.....	73
41. North Dakota.....	73
42. Wisconsin.....	72
43. Mississippi.....	72
44. Alabama.....	67
45. Kansas.....	65
46. Nebraska.....	59
47. Maine.....	59
48. South Dakota.....	56

Average, United States, 83 percent.

State	Total farm income in 1939	Total Agricultural Adjustment Administration benefits 1939	Percent
Alabama.....	\$89,815,000	\$27,259,000	32
Mississippi.....	132,631,000	34,330,000	20
Texas.....	442,228,000	110,755,000	25
Arkansas.....	125,721,000	27,907,000	21
Georgia.....	125,785,000	25,794,000	20
South Carolina.....	83,980,000	17,902,000	19
Louisiana.....	112,684,000	21,184,000	19
Minnesota.....	332,766,000	26,599,000	8½
Wisconsin.....	265,785,000	19,417,000	7

*Percent of gross income*

Iowa:	
1934.....	21½
1935.....	8½
1936.....	4½
1937.....	4½
1938.....	5½
1939.....	11½
Average.....	9½
Texas:	
1934.....	10¼
1935.....	12
1936.....	6
1937.....	6
1938.....	15
1939.....	25
Average.....	12
Wisconsin:	
1934.....	4
1935.....	1½
1936.....	1¼
1937.....	3¼
1938.....	4¼
1939.....	7¼
Average.....	3¼

Mr. WILEY. Mr. President, it is about time the Department of Agriculture began to realize that America's farm lands produce something besides wheat, corn, and cotton. In Wisconsin last year our cattle produced nearly 12,000,000-000 pounds of milk, which is an all-time high in Wisconsin. It represents 11 percent of all the milk produced in the United States. The Nation's dairy industry yields from 19 percent to 23 percent of the national farm income. It is high time that it received some recognition.

The Government pays some of the southern farm States benefits totaling as much as 32 percent of the total farm income in those States. Wisconsin's farm aid was whittled down to 7 percent of its total farm income last year.

Cash farm income, including Government payments, was higher in all East North Central States except Wisconsin.



The income from dairy products in Wisconsin makes up nearly 50 percent of the total farm income and that income has been torn to shreds by lower prices.

In the face of these facts it is difficult to see how the Department of Agriculture can continue to play favorites with certain segments of our agricultural economy. The dairy farmer contributes about 20 percent of the national farm income. In view of that fact there is no reason on earth why he should be treated like an illegitimate child when agricultural appropriations are made up.

I repeat, I am 100 percent back of the amendment which will be proposed by my colleague.

Mr. BYRD. Mr. President, pages 2999 and 3000 of the CONGRESSIONAL RECORD of March 18 contain certain statements which were made with respect to the working balance in the Treasury of the United States which may give an erroneous impression unless corrected.

I was not on the floor of the Senate yesterday when these statements were made, and I take this opportunity to make clear the situation with respect to this working balance.

The Senator from South Carolina [Mr. BYRNES] stated that there existed today in the Treasury a working balance of \$1,620,000,000, and inferred that this working balance could be used to pay in part for current expenditures of appropriations made by Congress in excess of the current revenue.

The Senator from Kentucky [Mr. BARKLEY] interjected with the statement that he could see no need of maintaining a balance of \$1,600,000,000, but that a balance in the neighborhood of \$1,000,000,000 should at all times be maintained as a working balance in the Treasury of the Government.

Both the Senator from South Carolina and the Senator from Kentucky inadvertently overlooked the fact that in the Budget submitted to Congress by the President on January 3, provision was made to reduce this working balance to the extent of \$1,150,000,000 so as to avoid the necessity of increasing at this time the existing debt limit. Therefore, when this is done, as the Budget provides, the working unencumbered cash balance at the end of the fiscal year, July 1, 1940, will be approximately \$500,000,000—just one-half of the amount stated by the Senator from Kentucky as being the minimum necessary for sound and prudent administration of the Government's fiscal affairs.

I simply rise, Mr. President, to make clear in the RECORD that under the Budget as now presented to Congress the working balance will be reduced to an amount as low as this Government could safely operate on.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. SCHWELLENBACH. In speaking of this reduction, is that exclusive of the \$700,000,000 to be taken from other funds?

Mr. BYRD. That is exclusive of the \$700,000,000, representing recovery from the Government corporations.

Mr. President, as the Senator from Kentucky [Mr. BARKLEY] said yesterday, an adequate balance should at all times be maintained in the Treasury of the Government so as to meet all obligations coming due, and any further reduction in this working balance would not be in conformance with prudent fiscal operations. We should, therefore, not expect to use any part of the working balance left on July 1, 1940, of approximately \$500,000,000 to pay any part of increased or new appropriations to be made by Congress.

It is well, I think, to note here, too, that in addition to reducing the working balance by \$1,150,000,000, the Budget likewise proposes to recover from Government corporations the sum of \$700,000,000 to be placed into the general Treasury in order to pay current expenditures. Up to this date, notwithstanding my frequent requests, the Budget Bureau has declined to give information as to the corporations and the amounts from which this recovery will be made.

Therefore, on March 12 I introduced a resolution, which is now pending before the Senate, requesting that this infor-

mation, which should have been available months ago, be given immediately by the Director of the Budget.

I regard the diversion of these funds from the corporations as a vital question affecting the pending Budget, as unless such recovery is made, and unless the working balance is reduced, as provided in the Budget estimates, the existing Federal debt limit of \$45,000,000,000 will have to be increased within the next fiscal appropriation year. I do not think any device should be adopted to exceed by subterfuge the legal debt limit.

Mr. DAVIS. Mr. President, I have received numerous letters from my constituents in behalf of the necessary appropriations for Dutch elm disease control. As I understand, the Bureau of the Budget recommended some \$500,000, and the House reduced that amount by \$100,000.

I desire to say that while I cannot ask for the full amount which my constituents request, namely, \$1,000,000 for the control of Dutch elm disease, I shall ask for the restoration of the \$100,000 which was taken from the amount estimated by the Bureau of the Budget to be needed especially for research work in that particular field.

Mr. President, this research field is essential to the success of the control program. The Dutch elm disease was brought to this country on elm logs from Holland about 1926. It has been prevalent chiefly around New York City. Recently it has begun to spread rapidly in the Ohio River Valley. Although it is problematical whether it will be possible to eliminate completely this disease, it should not be allowed to spread. It should be held in check in the various areas where it is now at work, and attempts should be made to check further inroads on our elm trees.

Mr. President, I urge the Senate to restore the \$100,000 cut from this item by the House, so as to restore the amount to that recommended by the Bureau of the Budget.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The CHIEF CLERK. The next committee amendment is, on page 12, line 5, after the word "stations", to strike out "\$6,860,000" and to insert "\$6,865,000", so as to read:

In all, payments to States, Hawaii, Alaska, and Puerto Rico for agricultural experiment stations, \$6,865,000.

#### FIRST DEFICIENCY APPROPRIATIONS—CONFERENCE REPORT

Mr. ADAMS submitted a report, which was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8641) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1940, to provide supplemental appropriations for such fiscal year, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses, as follows:

That the Senate recede from its amendments numbered 3 and 9. That the House recede from its disagreement to the amendments of the Senate numbered 1, 5, 6, 7, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, and 35; and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

#### "TEMPORARY NATIONAL ECONOMIC COMMITTEE"

"To complete carrying out the purposes of the joint resolution creating the Temporary National Economic Committee, approved June 16, 1933, to be available only for allocation to the departments and agencies represented on the committee for the necessary expenses thereof, including the objects specified under this head in the Second Deficiency Appropriation Act, fiscal year 1938, \$60,000, fiscal year 1940, to remain available until the expiration of the Seventy-sixth Congress;" and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "\$850,000"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$41,387"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$306,000"; and the Senate agree to the same.

ALVA B. ADAMS,  
CARTER GLASS,  
KENNETH MCKELLAR,  
CARL HAYDEN,  
JAMES F. BYRNES,  
FREDERICK HALE,  
JOHN G. TOWNSEND, Jr.,

*Managers on the part of the Senate.*

C. A. WOODRUM,  
CLARENCE CANNON,  
LOUIS LUDLOW,  
EMMET O'NEAL,  
GEO. W. JOHNSON,  
JOHN TABER,  
W. P. LAMBERTSON,

*Managers on the part of the House.*

Mr. ADAMS. Mr. President, I ask for the immediate consideration of the conference report.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. ADAMS. I yield.

Mr. LA FOLLETTE. Is this the bill which contains the appropriation for grasshopper control?

Mr. ADAMS. Yes.

Mr. LA FOLLETTE. What was the result of the conference on that amendment?

Mr. ADAMS. We were forced to recede on the matter of the increase, with, of course, a nonbinding understanding that the House would be liberal and consider it favorably if an emergency develops which requires the additional appropriation. There was an item of \$2,000,000 in the bill and there was an unexpended balance of \$400,000. The House conferees insisted that that be allowed to remain and be used, and that it would be adequate for immediate uses. They said that if we came back in another deficiency bill or any other bill and asked for an increase, they would not be insistent against the increase.

Mr. LA FOLLETTE. Mr. President, has the Senator been in touch with other Senators who are particularly interested in this item since the conference?

Mr. ADAMS. We just concluded the conference.

Mr. LA FOLLETTE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Donahey	Lee	Schwellenbach
Ashurst	Downey	Lodge	Sheppard
Austin	Ellender	Lucas	Shipstead
Bailey	Frazier	Lundeen	Smathers
Bankhead	George	McCarran	Smith
Barbour	Gerry	McKellar	Stewart
Barkley	Gibson	McNary	Taft
Bilbo	Gillette	Maloney	Thomas, Idaho
Bone	Green	Mead	Thomas, Okla.
Bridges	Guffey	Miller	Thomas, Utah
Brown	Gurney	Minton	Tobey
Bulow	Hale	Murray	Townsend
Byrd	Harrison	Neely	Tydings
Byrnes	Hatch	Norris	Vandenberg
Capper	Hayden	Nye	Van Nuys
Caraway	Herring	O'Mahoney	Wagner
Chandler	Hill	Pepper	Walsh
Chavez	Holman	Pittman	Wheeler
Clark, Idaho	Holt	Radcliffe	White
Clark, Mo.	Hughes	Reed	Wiley
Connally	Johnson, Calif.	Reynolds	
Danaher	Johnson, Colo.	Russell	
Davis	La Follette	Schwartz	

The PRESIDING OFFICER. Eighty-nine Senators have answered to their names. A quorum is present.

Is there objection to the consideration of the conference report? The Chair hears none.

The question is on agreeing to the conference report.

Mr. LA FOLLETTE. Mr. President, I am responsible for having suggested the absence of a quorum, in relation to the report on the deficiency bill conference report, because I knew that many other Senators, aside from myself, were very much interested in the item of \$3,000,000 to be immediately available for grasshopper control which the Senate placed in the bill.

It is a matter of great regret to me that the Senate conferees have seen fit to recede on this item, because it must be clear to Senators that if anything is to be done with regard to grasshopper control the money must be made available in time to utilize it early this spring.

The Senator from Colorado [Mr. ADAMS], as I understood him, stated that there was a nonbinding agreement of some kind with regard to the item.

Mr. ADAMS. Of course, no conference committee can bind the House. What I mean is that the members of the conference committee said that so far as they were concerned they would be helpful in securing additional appropriations if the need for them developed.

Mr. LA FOLLETTE. Mr. President, it seems to me that if the program is to be continued at all it should be carried on on a comprehensive scale, and the need is just as clearly demonstrated now as it will be some time later. There is always a lag, as the Senator knows, and every other Senator knows, between the time an appropriation is made available and the time when the poison for the grasshoppers can be distributed into the areas where it is necessary.

Despite the statement which the Senator from Colorado made—I know he made it in the best of faith—I think we are confronted now with the issue whether or not we shall have an adequate program for grasshopper control this spring. If we do not get adequate funds now, the effectiveness of the program will be destroyed, even if Congress should determine later on to make a further sum of money available, because of the fact which I have already pointed out, that unless this poison is prepared and distributed at the proper time, it is ineffective and the money is largely wasted.

Mr. McCARRAN. Mr. President, will the Senator yield to me?

Mr. LA FOLLETTE. I yield to the Senator from Nevada.

Mr. McCARRAN. Mr. President, everything the Senator from Wisconsin says is absolutely true, but may be emphasized by a further expression.

Any money appropriated too late is a wasted appropriation. I am interested in the other phase of this appropriation. Grasshopper control and Mormon-cricket control are combined in this item. I learn from the West that the grasshoppers and the Mormon crickets are now coming forward to destroy the infant vegetation. Unless we meet that problem with an appropriation now, to be immediately available, in the future we shall simply waste any money we may appropriate.

I think it was a great mistake for the Senate conferees to recede. I hope something may be done so that the action of the conferees may not be concurred in because I know the conditions in the West.

If I may proceed further on the Senator's time, it will not do to say that the infested areas have been reduced. The infested areas have not been reduced. Letters from those on the ground and communications from those who are in touch with the subject evince the fact that the infested areas are as they have been in the past, and unless we meet the condition now, when the infestation is in its infancy, we shall waste any money we may put into it in the future.

Mr. LA FOLLETTE. Mr. President, I thank the Senator from Nevada for his statement, and I agree wholeheartedly with everything he has said.

Mr. LEE. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield to the Senator from Oklahoma.

Mr. LEE. I wish to reinforce the statement of the Senator. Grasshoppers usually follow a wet season. This year we have had more moisture in Oklahoma than usual. I have seen the grasshoppers so thick out there that they ate up everything but the mortgage. [Laughter.] One year I planted some alfalfa. It was young and just coming up. We had 500 turkeys. The grasshoppers started swarming over the alfalfa, and I told my farmer partner to drive the turkeys down into the young alfalfa. He did so, and, believe it or not,



it was not long until there was not a feather left on the turkeys. [Laughter.] The grasshoppers ate them all off.

When the grasshoppers really start, they are bad. We need all the law allows and all the traffic will bear to poison the grasshoppers.

Mr. LA FOLLETTE. Mr. President, I appreciate the interruption of the Senator; but I trust that his humorous story will not divert the Senate from the serious aspects of this problem.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. McKELLAR. The situation confronting the conferees was this: The House had appropriated \$2,000,000. There was \$400,000 already available, which made a total of \$2,400,000. The Senate added \$1,000,000. The Senate conferees very vigorously and actively maintained the position of the Senate. One of the members of the conference from a Western State and I tried our best to persuade the House conferees to agree to the extra \$1,000,000, but the House conferees said they would not agree. We either had to accept what they would agree to or get nowhere at all.

Mr. LA FOLLETTE. Mr. President, I do not wish anything I have said to be interpreted as any indication that I think the Senate conferees did not do everything they thought they could for this item. I am sure I have said nothing that can be so interpreted.

Mr. McKELLAR. The Senator did not, but I wished to let the Senator know exactly what confronted the Senate conferees in connection with this amendment.

Mr. LA FOLLETTE. I am sure the Senate conferees did everything they thought they could do in trying to bring about an agreement on this item. On the other hand, Mr. President, as we all know, often items of this kind are re-inforced in their position if the Senate rejects the conference report and sends it back with further insistence upon an amendment, because such subsequent action indicates the Senate's determination.

I wish to point out in conclusion, as I did at the outset, that in my humble opinion we are now confronted with the issue as to whether or not there shall be any effective grasshopper-control program.

Mr. NORRIS. Mr. President, as I remember, our experience with the attempt to poison grasshoppers has not been one which in my opinion is very creditable to Congress. Undoubtedly, moved by an earnest and honest desire to save money and not to appropriate money unless it was necessary, we have assumed an attitude of holding back the appropriation until we saw the great damage confronting the western part of the country, and then spasmodically tried to appropriate some money to poison the pests, finding from experience that we had let the day go by when we could effectively and economically have met the situation had we appropriated ample funds to begin with.

In the West, where grasshoppers usually occur, we often find that before we can go through the formula which is necessary, first to obtain the appropriation, then to obtain the necessary poison, and then to obtain the distribution of it, we are too late on the ground. The grasshoppers have already done their damage.

Mr. President, the grasshopper menace is a serious thing in some parts of the country. No one can tell with any degree of certainty what section of the country will be afflicted. Some of the worst grasshopper scourges the country has ever seen have been caused by a migratory grasshopper which came through the air, nobody knows how far, from a region thousands of miles away from the place where the grasshoppers did all the damage. It is not always possible to tell just what the danger is, and what we shall have to contend with. I do not believe any Senator would want to pass by the problem without doing anything, because it is a scourge over which the man who is producing the crop has no control whatever. He is not to blame in any degree, directly or indirectly, for the affliction which comes, and when it comes, especially from some species of the grasshopper, it is as destructive as a fire which burns everything up. There is nothing left when

the grasshoppers get through. It seems to me that the only way effectively and economically to meet the situation is to be prepared in advance so that we may have the poison ready, if necessary, or at least have all the machinery put together so that almost overnight the poison can be applied where it ought to be applied to be effective.

I do not know whether or not there is anything else in the deficiency bill which is of such immediate importance that it would be detrimental to the country if the conference report were sent back. I should like to inquire of the Senator from Tennessee [Mr. McKELLAR] or the Senator from Colorado whether or not any serious damage or loss would occur if the report were now rejected by the Senate. It seems to me it would be good psychology to show the stand of the Senate and its determination to provide an ample appropriation for grasshopper destruction by rejecting the conference report, especially if there is nothing else in the bill which would be in serious danger. What has the Senator from Colorado to say in that respect?

Mr. ADAMS. Mr. President, there are a number of rather emergent items. There are no major items, but there are a number of salary items. A certain number of persons will have to be dismissed from the service if the deficiency bill is not passed.

Mr. NORRIS. When would the dismissal have to take place?

Mr. ADAMS. I think some of the terms expire on the 15th of March. Some have now expired, because there has been some delay in the consideration of the bill.

Mr. NORRIS. In the Senator's judgment, would there be any difference in the attitude of the House conferees if we should reject the conference report?

Mr. ADAMS. My judgment is that we should not accomplish anything.

Mr. McKELLAR. We should at least show what we want to do, and our earnestness in the matter. Such action might be effective and helpful in connection with future legislation.

Mr. ADAMS. Will the Senator permit me to take just a moment of his time?

Mr. NORRIS. I beg the Senator's pardon. I do not wish to interrupt him.

Mr. ADAMS. The Senator has the floor. If I may take just a moment of the Senator's time, I shall try to draw the picture as we saw it.

The Senate added \$1,000,000 to the appropriation. Every effort was made by the Senate conferees to impress upon the House conferees the desirability and the necessity of the added appropriation. We were reminded by the House conferees that the House had appropriated \$2,000,000. Four hundred thousand dollars was already available. We were also reminded that the actual infestation was not more than a third of what it was a year ago. I am saying that on the authority of the Department of Agriculture. Personally I do not know about it. The Senator from Nevada [Mr. McCARRAN] makes a different statement. The officials of the Department of Agriculture brought to us plats showing the areas of infestation. Some areas which were badly infested a year ago were cleared up. We were not able to persuade the House conferees as to the immediate necessity for an amount greater than the \$2,400,000 which would be immediately available. They said to us that "If we take back this appropriation with the added \$1,000,000, we are sure that the House will reject the added \$1,000,000." That was their statement. We know nothing as to the accuracy of it, of course.

My own feeling was that there was some merit in their contention; that is, that the \$2,400,000 was a large appropriation for this purpose to start the work, in view of the assurance which was given us that if the infestation proved to be beyond the capacity of this appropriation to meet it, they would immediately urge the House, upon request, to add another appropriation.

A year ago in the deficiency bill the appropriation was \$3,000,000. Subsequently we added \$1,750,000. As a matter of fact, I think a year ago every cent asked for by the

Bureau was appropriated. At that time we were very positively told that if we furnished all the money the Bureau requested, while they could not completely eradicate the grasshopper, there would be such a suppression of the pest that in the future it could be controlled with reduced appropriations.

Your conference committee acted in the best of faith. They tried to carry out the Senate's wishes. I am convinced that for us to go back for a further conference would merely result in delay, and would not accomplish anything.

Mr. McCARRAN. Mr. President, the fallacy of the argument offered by the able Senator from Colorado [Mr. ADAMS] is that we must face different conditions with changing seasons. The grasshopper and the Mormon cricket do not always come forward at the same time in the same period of the year. Their prevalence depends largely on climatic conditions. In other words, the Senator from Oklahoma mentioned the fact that a wet season is usually followed by an infestation of grasshoppers. A different season may be followed by an infestation of Mormon crickets. But whether the season be of one kind or the other, the calamity is the same; and when we see farms and agricultural tracts absolutely wiped out, when we see the entire forage of the open domain destroyed, when we see farms put out of business because of these pests, we know that it would have been a thousand times better if the pests had been met at a time in their existence when they could have been destroyed.

If the grasshopper and the Mormon cricket are permitted to go from an adolescent state into a state in which the pest lays its eggs for the season yet to come, then the destruction of the grasshopper or Mormon cricket for this season does no good for the season that is to follow. A thousand times better would it be to appropriate the additional million dollars now, so that we may destroy the pest in its incipency, than to permit it to go on and on, and keep on appropriating from year to year.

The answer to the argument that an appropriation will be made a month from now or 6 weeks from now is simply that it will be too late; the harm will have been accomplished, and a million dollars expended then will be a million dollars lost; whereas \$3,000,000 expended now, as the appropriation bill provided when it left the Senate, might accomplish the desired results. To send the bill back to conference is the one and only thing to do if the Senate meant what it said when it appropriated the additional million dollars.

Mr. BYRNES. Mr. President, as one of the conferees, I simply wish to concur in the opinion expressed by the Senator from Colorado [Mr. ADAMS].

I have always been sympathetic with appropriations for this purpose. I voted for them last year, and in the conference with the House the conferees then had a difficult time in arriving at the conclusion contained in the report securing the additional appropriation. In the conference upon this bill I think we spent more time upon this item than upon any other. The House conferees were united in their position. Among the House conferees was one Member from a Western State, asserting his intimate knowledge of the conditions with respect to the grasshopper pest. I must say that his arguments seemed to be very influential with his colleagues among the House conferees. They took the position stated by the Senator from Colorado—that the Department now have approximately \$400,000 available, and that with this appropriation of \$2,000,000 they would have sufficient funds to insure taking care of the matter. They then stated that if a situation should arise demanding more money we could rely upon their cooperation, and that they would join in reporting a joint resolution appropriating additional funds. They called to our attention the fact that when this bill was upon the floor of the House, no Member from any Western State offered an amendment seeking to raise the amount appropriated, calling it to our attention as evidence of the fact that the Members of the House from the Western States believed the amount to be sufficient.

Under the circumstances, we were confronted with the necessity of either agreeing with their contention or holding

up the bill. We thought the wise thing to do was to agree to the \$2,400,000 at this time, rather than to delay the report upon the bill.

I do not believe that by taking the bill back to conference we could change the situation or induce the House conferees to agree to a larger amount. My judgment is that the Senate should adopt the conference report. No one can tell whether or not the House would change its attitude; but that is my honest opinion after listening to the arguments that were made.

Mr. NORRIS. Mr. President, I should like to ask the Senator a question.

Mr. BYRNES. I yield to the Senator from Nebraska.

Mr. NORRIS. If we should reject the conference report, would not the parliamentary situation be that the House conferees would then go back to the House after we had voted, and the House would take a vote on this item, and, of course, that would be controlling upon the House conferees? It would result, would it not, in a vote being taken by the House? Of course, if the House should reject the increase, there would be no use in our standing further for it. We should have to agree with them; but it seems to me it would put the matter right up to the House, which would vote directly on the question.

Mr. BYRNES. Mr. President, of course that is one of the things that might follow. It would seem that it would be the proper thing to do. That was the reason why I called attention to the argument made by the House conferees, because we had discussed the question as to what would be the attitude of the House. That attitude they expressed in the way I have indicated, by calling attention to the fact that they had just passed upon the matter in the bill, and that not one word was uttered by any Member of the House in favor of an increased appropriation. They did call attention to the statement of the officials of the Department as to the reduced infestation, as indicated by the maps which the Senator from Colorado [Mr. ADAMS] has had in his hands. I do not know anything about that. I will say that I have always relied upon the statements of the Members of the Senate from the Western States who are familiar with the matter, and have voted for this appropriation, and in conference have urged its retention; but I do not believe we shall arrive at any different solution as a result of sending the bill back to conference.

Mr. NYE. Mr. President, it has been suggested or intimated that I was a member of the conference committee considering the item that is in dispute. The Senator from Tennessee [Mr. McKELLAR] was mistaken about that. I was not a member of the conference committee.

Mr. McKELLAR. Mr. President, I think I am mistaken about it. The Senator from North Dakota was on the subcommittee which considered the bill.

Mr. NYE. Quite right.

Mr. McKELLAR. But not on the conference committee.

Mr. NYE. But not on the conference committee.

Mr. McKELLAR. That is correct.

Mr. NYE. But I do not want to depreciate the weight of the report which the conferees bring back to the Senate. I have not any doubt that when they reported a sincere belief that nothing would be gained by sending the bill back to conference, they meant just what they said; but if we adopt their view I have every reason to believe that we will have the identical experience we had last summer and the summer before, when, by reason of the Senate finally giving in on the deficiency bill, we put the Bureau of Entomology to a task and then up against an experience which finally cost the United States Government a good many hundreds of thousands of dollars by reason of the interruption of a program, and waiting for the additional funds that were necessary to complete the program.

When, a year ago this coming spring, it was adequately demonstrated that the moneys appropriated were not sufficient, I distinctly remember how splendidly the House committee, the Senate committee, the House, and the Senate themselves responded. I think we were only a matter of 2



days in securing the passage through the Congress of a joint resolution affording sufficient funds, and only 1 other day was required to get the bill up to Hyde Park for signature and make the funds available; but waiting even a comparatively few days led to an exceedingly costly experience. It was costly to the morale of the persons who were engaged in the program of trying to exterminate the pest. It was costly, to say the least, in dollars; and the farmers who contribute as much or nearly as much as the Federal Government contributes in the way of labor in spreading the poison suffered an injury to their morale that slowed up the program in a terrific way.

The amount asked for this year is approximately half of the amount required last year. About the 21st of January the Bureau of the Budget made and sent to the Congress its estimate of what was needed. That estimate took into consideration the \$400,000 carry-over from last year. It is not fair on the part of the House conferees to argue that that \$400,000 has not been taken into consideration, for it has been. The estimate required \$3,400,000 of appropriation for this year. If we should have the good fortune not to need all of that amount, no one would be happier than we from the States which are suffering this annual infestation.

Mr. President, except for the fact that the program undertaken last year and gone through with was so highly successful, I should no longer be insisting upon appropriations to conduct this sort of a program. There can be no denying the fact, however, that when the Bureau of Entomology is given what it declares itself to need to conduct its program, it can do a thorough job; but deny it the funds that it estimates to be necessary, and there is bound to be delay, and there is bound to be lack of the completeness of program which last year was proved possible of attainment.

Under all these circumstances I could not possibly feel justified in doing other than insisting, for my own part, that the Senate reject the conference report. If another day or 2 days should be required, I see no serious injury that will come to any one. If, then, there is failure on the part of our conferees to win their point, we can only do what we did last year, and take our chance ultimately of getting the additional funds if and when demonstration of their need is shown.

Mr. President, I feel called upon to say one thing more. I feel myself in no small part to blame for this failure. When the deficiency bill was sent to the Senate, there was apparently a desire to get it through the Senate committee as fast as was possible. The Bureau of Entomology desired to be heard upon this item; but the subcommittee was so complimentary as to suggest that we could probably get into the bill what was required without taking the time necessary to hear the Bureau of Entomology, and I withdrew my insistence upon a hearing for the Bureau. The consequence was that the Senate went to the House in conference without any record whatever of an adequate consideration of the needs of the grasshopper-infestation program. Never again under like circumstances will I consent to waive hearings, in the light of the experience which has been ours with the House in the past.

Mr. FRAZIER. Mr. President, I agree with what has been said respecting the grasshopper situation. The Bureau of Entomology makes very careful estimates of what is needed. They conferred with the various agricultural colleges, and the past fall a committee was appointed, which held a conference regarding grasshopper control. They, together with the Bureau of Entomology, recommended that \$3,000,000 plus was necessary in order to take care of the situation during the coming season, and I believe that it is necessary.

In the past we have had the experience of getting the poison too late, and it doing no good. In my particular section of North Dakota, in the northeast corner, during the last 2 years the farmers have succeeded in poisoning the grasshoppers early in the spring. They prepared their poison in April. But in some sections of the western part of the State they did not get the poison early enough; it was not spread sufficiently to cover the vacant land so the grasshoppers

hatched and moved into my part of the State and did a great deal of damage later in the season, which was due to the poison not being applied in sufficient time to take care of the grasshopper menace.

I hope the conference report may be defeated, and the matter taken up with the conferees of the House again, and insistence made on the appropriation of the full amount asked for this purpose.

Mr. MURRAY. Mr. President, I support everything that has been said by the able Senators who have just spoken. I have been familiar for several years with the program that has been followed in Montana. It seems to me it would be very unwise to fail to appropriate a sufficient amount to carry on an effective campaign. If we are not to carry on such a campaign, it would be better to discontinue the work altogether. That has been the experience in Montana.

Several years ago we carried on a very effective campaign during the early part of the season of infestation, but we finally came to a point where we could not get the necessary bait to continue the combat against this very serious condition, with the result that there was a complete failure. If there is to be a successful campaign to eradicate this pest, we must have adequate funds, and have them ready at the time when they will be needed. Unless we can have them, it would be just as well to discontinue the program entirely.

I certainly think that the Senate, after having heard the facts which have been stated here this afternoon, should oppose the acceptance of the report.

Mr. ADAMS. Mr. President, the committee were confronted with two graphs, which I hold in my hand, one showing the infestation a year ago and the other showing the infestation at this time, both prepared by the Department of Agriculture. It is perfectly obvious from these reports that the areas of severe infestation have been very greatly reduced; I think more than one-third.

In the State of Montana, for instance, practically all of the State was included in the infested area. The last report shows that perhaps four-fifths of the State of Montana is clear.

We were confronted with these graphs. I wish Senators would look at them and see what has been accomplished; and if the things which have been accomplished mean anything, I think that something is to be said for the viewpoint of the House conferees that not quite as much of an appropriation would be required. We have tried to relieve the situation.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. ADAMS. I yield.

Mr. LA FOLLETTE. Is it not a fact, however, that the amount proposed and carried in the bill as it passed the Senate was only a little more than half what was provided the year before, so that even the Senate position represents a marked decrease in the amount of funds available for this purpose; and I think we should take into consideration the fact that the infested area is less this year than last.

Another point I should like to make in that connection, if the Senator will bear with me, is that the incidence of infestation is heaviest upon the most productive land, and that it is not fair to say that the territory which is infested has been decreased in extent unless we take into consideration the productive character of the land which still remains infested.

From the standpoint of the farmer and from the standpoint of economy of the States which are infested with Mormon crickets and grasshoppers, the productive area is the one which is most important to the farmer and to the economies of the respective States.

Mr. LEE. Mr. President, will the Senator from Colorado yield?

Mr. ADAMS. I had practically concluded. I was merely endeavoring again to emphasize the fact that we were confronted in the conference with Members of the House who were adamant in their viewpoint, and we were confronted with some facts which we were not quite able to meet. The appropriation last year for this purpose was \$3,000,000, as

against the proposed appropriation this year of \$2,000,000. That is, the recession in the appropriation is one-third.

Mr. LEE. Mr. President, it seems that these maps merely prove the wisdom of the appropriation made last year and the effectiveness of the program. It looks to me as if we should follow through and complete the work, and that these graphs furnish an argument for an adequate appropriation to finish removing the pests.

I am not scientist enough to know, but from what I know about grasshoppers from a layman's standpoint, I imagine it is pretty hard to teach grasshoppers birth control, and there might be enough grasshoppers produced in the infested States to spread the grasshopper pest all over the farming area.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. LEE. I yield.

Mr. HAYDEN. The representation was made to us, which I appreciate as a member of the conference, that the House of Representatives was willing to assume the same position they took last year, to make an initial appropriation, and if, as the season advanced, there was indication of grave danger, they would be willing to supplement the appropriation. Senators will remember that the supplemental appropriation made last year was not attached to any bill; it was under a separate resolution passed by the House upon a showing of the facts.

One other argument was made to us by the House conferees which undoubtedly has merit.

Mr. McKELLAR. Mr. President, if the Senator will permit me to interrupt for just a moment, we are pursuing exactly the same plan that was pursued last year, and it was a success last year, why should it not be equally a success this year? We are doing exactly the same we did last year.

Mr. NYE. Mr. President, will the Senator yield?

Mr. HAYDEN. Let me make this further statement about the representation made to us by the House conferees. It is a known fact, which all must concede, that severely cold weather does kill off the grasshoppers. There is no question about that; it is the testimony of the Department. If there is a freeze at the right time in the spring the eggs are killed and any young grasshoppers which hatch are killed and there is not an infestation.

The House conferees argued that there has been unusually cold weather in the infested area this year, and that for that reason the House has a right to anticipate that the infestation will not be so great as in other years. If it is not so great, there is no need for the money. On the other hand, the House conferees gave us the assurance that if the grasshoppers should appear the conferees would do exactly what they did last year.

Mr. BYRNES. Mr. President, as to the graphs presented by the Senator from Colorado, first was the "Grasshopper survey, 1938; Infestation of crops expected in 1939." We were also presented with the next graph, "Grasshopper infestation expected in 1940, based on fall egg survey of 1939." So that the best information we can secure from the Department is this estimate. This is the infestation they expect, from the best scientific knowledge they have at hand, and the infestation they expect is only about one-third of what occurred this year, according to this graph.

The argument was made to us, that being true, that we would be appropriating \$2,000,000, plus \$400,000, and if it should turn out that the expectation was not justified, and a situation should arise demanding a larger amount, the House would join us in providing the needed money.

In view of the fact that the House conferees assured us that they would favor an appropriation in case an infestation developed, we thought it was best to follow the action included in the conference report.

Mr. MURRAY. Mr. President, it is a fact, nevertheless, that the experts who prepared those charts have admitted that the amount necessary to carry on the campaign this year is the \$3,500,000, which, I believe, was the original estimate. It seems to me that it is obvious that if we do not have the funds ready with which to carry on the campaign when the necessity appears, we will lose out entirely, and will

be right back where we were in 1939. We promised the committee in 1939 that if we got the necessary funds a vigorous campaign would be made, and that if we failed we would not come back and ask them for more.

Mr. LA FOLLETTE. Mr. President, I wish to point out, in response to the statement made by the Senator from South Carolina, that the amount carried by the Senate committee bill is less than the Budget estimate. I think we are all aware that the Budget Bureau has not been making overly generous estimates, certainly so far as any of our domestic programs are concerned. The Budget estimate was more than the Senate committee provided in its action upon this item.

Mr. BYRNES. Mr. President, if the Senator will yield, the Senator from South Carolina is familiar with that fact. We made that argument to the House conferees.

Mr. LA FOLLETTE. I also wish to point out that if it were possible to provide poison and get it distributed when the time comes for its use, it might be wise to follow the course of procedure which the House conferees urged, but I think the experience of last year and of previous years has demonstrated that there is a lag between the time when the need for funds is evident, and the action of Congress thereon, and the distribution of the poison to the areas where it is needed.

Mr. LEE. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. LEE. Is it not also true that it would be better for us to have more than we need than to be short? I know how these poisons are distributed. It means work, and no farmer wants to get the poison and mix it with bran and go out and scatter it unless it is necessary. The House conferees sent word, according to the report here, to this effect, "Wait until we see whether we need more, and then, if we need more, we will come back and ask for it."

Mr. President, let us turn this matter around, and let us get enough, and then if there is any left it is not to be used unless needed. It seems to me that is a wiser attitude to take than to wait and try to rush through a bill in the last minute to get the necessary material out there before the grasshoppers eat up the crops.

Mr. LA FOLLETTE. Mr. President, I think the experience with this control program clearly demonstrates the soundness of the position taken by the Senator from Oklahoma. In previous years, when we have had inadequate funds, the impression which the experts have been able to make upon the grasshoppers and the Mormon crickets has been negligible, and it looked as though the program was a failure, whereas last year, when adequate funds were supplied—the amount which the Bureau of Plant Entomology said was necessary—they made a very substantial showing in the effectiveness of this program.

Mr. NYE. Mr. President—

The PRESIDING OFFICER (Mr. O'MAHONEY in the chair). Does the Senator from Wisconsin yield to the Senator from North Dakota?

Mr. LA FOLLETTE. I yield.

Mr. NYE. I think the Senator's statement ought to be qualified at least to this extent, that the showing made by the Bureau of Entomology last year would have been much finer than it was if there had not been the delay occasioned by the wait for supplemental funds which had to be provided.

Mr. LA FOLLETTE. Exactly. That was the point I was just about to make; that although the funds supplied last year for this purpose were those estimated to be needed by the experts in this field, the delay occasioned by following the program which is now recommended by the House conferees and by the Senate conferees resulted in the program not being as effective as if the money had been made available. I believe, Mr. President, that if we are to have an adequate and effective program for grasshopper control and Mormon cricket control, we have got to provide for it in the bill. So I hope the conference report will be rejected.

Mr. FRAZIER. Mr. President, I want to call attention to the statement made by the Senator from Colorado. He made



the statement, illustrating it with maps, that the grasshopper infestation at the present time was much less than last year. That shows the good work that was done last year. But I want to call attention to the fact that the same people who made those maps have asked for the three and a half million dollars to take care of the situation this year. They need it or they would not have asked for it. If it turns out that too much money is appropriated, the part not needed will not be spent.

The PRESIDING OFFICER. The question is on agreeing to the conference report. (Putting the question.) By the sound the "noes" appear to have it.

Mr. BYRNES. I ask for the yeas and nays.

Mr. RUSSELL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Danaher	Johnson, Colo.	Pepper
Ashurst	Davis	La Follette	Pittman
Austin	Donahey	Lee	Russell
Bailey	Downey	Lodge	Schwartz
Bankhead	Ellender	Lucas	Schwellenbach
Barbour	Frazier	Lundeen	Sheppard
Barkley	George	McCarran	Shipstead
Bone	Gillette	McKellar	Smathers
Brown	Green	McNary	Stewart
Bulow	Guffey	Maloney	Taft
Byrd	Gurney	Mead	Thomas, Idaho
Byrnes	Hale	Miller	Thomas, Utah
Capper	Harrison	Minton	Tobey
Caraway	Hatch	Murray	Townsend
Chandler	Hayden	Neely	Vandenberg
Chavez	Herring	Norris	Wagner
Clark, Idaho	Hill	Nye	Walsh
Clark, Mo.	Holman	O'Mahoney	Wheeler

The PRESIDING OFFICER. Seventy-two Senators having answered to their names, a quorum is present.

Mr. GILLETTE. Mr. President, I have not taken any part in this discussion, and I do not want to delay the Senate now, except to call attention to two or three matters which have been brought out in the present debate.

During the last 7 years I have paid rather close attention to this particular type of appropriation. The Senator from Colorado [Mr. ADAMS] has presented some graphs prepared by the Bureau of Entomology. Those graphs have very little meaning, Mr. President, because they are based on an egg count made in the field by representatives of the Bureau of Entomology. The number of insects that hatch out is dependent entirely on the climatic conditions—no, not on the Hatch bill, as suggested by some Senator, but on the hatching conditions. [Laughter.] But, Mr. President, when the egg hatches and the insect emerges, the insect has to eat, and has to eat immediately, and it eats the first green thing that is available. You cannot convince the insect that it can wait until the Congress of the United States has made an additional appropriation to prepare poison bait.

Mr. President, there have been times when additional appropriations were secured with reasonable dispatch—with exemplary dispatch. I recall that in 1935 the Bureau of Entomology estimated that \$25,000,000 damage resulted to farmers and the farming interests of the Middle West because of the delay in making the appropriations.

I believe we should send the Senate conferees back with a record vote which they can show to the House conferees. I have no criticism of them or the action they have taken, but we ought to give them that vote so they can go back to the House conferees and say that the Senate insists on this item, which is the only one in question.

Mr. President, it will not do to compare the present situation with other situations when Congress has appropriated more money than perhaps was needed. In this case the money will not be used if it is not needed. The farmers are often faced with the condition that within 24 hours they see the tender growing crops destroyed by reason of the money requested not being made available by Congress. They simply cannot wait the slow processes or even the speedy processes of congressional action when millions upon millions of insects are destroying the farm crop.

So, when we compare the possibility of perhaps appropriating more than would be actually used with that unfortunate

situation of finding that there is not enough available for a proper program, it seems to me that every Senator should be convinced of the wisdom of sending the Senate conferees back with a strong vote which they can present to the House conferees.

Mr. LEE. Mr. President, will the Senator yield?

Mr. GILLETTE. Certainly.

Mr. LEE. Is it not true that the experts who made this chart are the same experts who told us they needed three and a half million dollars? If we take the experts' word in one case, it seems to me we ought to be influenced by the experts' recommendation in the other.

Mr. GILLETTE. The amount that was appropriated is less than that which the experts themselves said was necessary. From my experience with them in the past, I believe they would not make an overstatement as to the amount necessary.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. GILLETTE. I yield.

Mr. SHIPSTEAD. We have had experience in the last few years in not obtaining appropriations in time to accomplish what was necessary to accomplish. I remember that one time an appropriation of a certain amount of money for combatting insects was defeated, and then after the grasshoppers hatched they overran the countryside in such great quantities that an emergency appropriation was put through Congress, but it came rather too late.

Mr. President, a few dollars utilized at the right time would do more good than a thousand dollars made available too late. I think the Senator from Iowa is absolutely correct. I thank him for calling to the attention of the Senate the fact that to get the appropriation in time is as important as the amount of the appropriation.

Mr. GILLETTE. I thank the Senator from Minnesota who did yeoman service in this work in the last few years.

Mr. BYRNES. Mr. President, I have asked for the yeas and nays.

The yeas and nays were ordered.

Mr. CHANDLER. Mr. President, will the Chair state the pending question?

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The legislative clerk proceeded to call the roll.

Mr. HARRISON (when his name was called). On this question I have a pair with the Senator from Nebraska [Mr. BURKE] and withhold my vote.

Mr. SHIPSTEAD (when his name was called). I have a pair with the senior Senator from Virginia [Mr. GLASS]. I am informed that if he were present he would vote "yea." I transfer the pair to the Senator from Vermont [Mr. GIBSON] and will vote. I vote "nay."

The roll call was concluded.

Mr. THOMAS of Utah. I have a general pair with the Senator from New Hampshire [Mr. BRIDGES]. I transfer that pair to the Senator from Oklahoma [Mr. THOMAS] and will vote. I vote "nay." I am not advised how either the Senator from New Hampshire or the Senator from Oklahoma would vote if present.

Mr. MINTON. I announce that the Senator from Washington [Mr. BONE], the Senator from Utah [Mr. KING], and the Senator from Louisiana [Mr. OVERTON] are absent from the Senate because of illness.

The Senator from Florida [Mr. ANDREWS], the Senator from Nebraska [Mr. BURKE], the Senator from Rhode Island [Mr. GERRY], the Senator from Illinois [Mr. SLATTERY], the Senator from Ohio [Mr. DONAHEY], the Senator from Maryland [Mr. RADCLIFFE], and the Senator from Missouri [Mr. TRUMAN] are detained on important public business.

The Senator from Mississippi [Mr. BILBO], the Senator from Texas [Mr. CONNALLY], the Senator from California [Mr. DOWNEY], the Senator from Maryland [Mr. TYDINGS], the Senator from North Carolina [Mr. REYNOLDS], the Senator from South Carolina [Mr. SMITH], and the Senator from Oklahoma [Mr. THOMAS] are detained on business in various Government departments.

The Senator from Virginia [Mr. GLASS], the Senator from West Virginia [Mr. HOLT], the Senator from Delaware [Mr.

HUGHES], and the Senator from Indiana [Mr. VAN NUYS] are unavoidably detained.

The Senator from Maryland [Mr. TYDINGS] is paired with the Senator from Utah [Mr. KING]. I am advised that if present and voting the Senator from Maryland would vote "yea," and the Senator from Utah would vote "nay."

The result was announced—yeas 25, nays 44, as follows:

## YEAS—25

Adams	Chandler	Lodge	Tobey
Bailey	George	Lucas	Townsend
Bankhead	Green	McKellar	Wagner
Barkley	Guffey	Maloney	Walsh
Brown	Hale	Mead	
Byrd	Hayden	Pepper	
Byrnes	Johnson, Colo.	Russell	

## NAYS—44

Ashurst	Ellender	McCarran	Schwartz
Austin	Frazier	McNary	Schwellenbach
Barbour	Gillette	Miller	Sheppard
Bulow	Gurney	Minton	Shipstead
Capper	Hatch	Murray	Smathers
Caraway	Herring	Neely	Stewart
Chavez	Hill	Norris	Taft
Clark, Idaho	Holman	Nye	Thomas, Idaho
Clark, Mo.	La Follette	O'Mahoney	Thomas, Utah
Danaher	Lee	Pittman	Vandenberg
Davis	Lundeen	Reed	Wheeler

## NOT VOTING—27

Andrews	Downey	Johnson, Calif.	Thomas, Okla.
Bilbo	Gerry	King	Truman
Bone	Gibson	Overton	Tydings
Bridges	Glass	Radcliffe	Van Nuys
Burke	Harrison	Reynolds	White
Connally	Holt	Slattery	Wiley
Donahay	Hughes	Smith	

So the conference report was rejected.

Mr. ADAMS. Mr. President, I move that the Senate further insist on its amendments, request a further conference with the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. ADAMS, Mr. GLASS, Mr. McKELLAR, Mr. HAYDEN, Mr. BYRNES, Mr. HALE, and Mr. TOWNSEND conferees on the part of the Senate at the further conference.

## AGRICULTURAL APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 8202) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1941, and for other purposes.

Mr. BARKLEY. Mr. President, it is obvious that we cannot finish the agricultural appropriation bill today. I think it is almost time to suspend, unless the Senator from Georgia [Mr. RUSSELL] wishes to proceed further.

Mr. RUSSELL. Mr. President, does the Senator intend to move a recess at 5 o'clock?

Mr. BARKLEY. I had planned to do so.

Mr. RUSSELL. I do not think it would serve any useful purpose to continue further this afternoon. However, I should like to make a brief statement.

Mr. BARKLEY. I yield.

Mr. RUSSELL. Yesterday the senior Senator from Michigan [Mr. VANDENBERG] propounded an inquiry as to whether or not any commodities which have been purchased by the Federal Surplus Commodities Corporation were the same agricultural commodities as have been dealt with in the reciprocal-trade agreements. I stated that I was not sure of my ground, but that it was my recollection that no such commodities have been purchased by the Federal Surplus Commodities Corporation.

It seems that my recollection was in error, and that some of those commodities have been dealt with in the reciprocal-trade agreements. I have a statement from the Federal Surplus Commodities Corporation dealing with this subject. The statement was made with particular reference to a statement attributed to Representative REED of New York to the effect that the Surplus Commodities Corporation had spent \$30,000,000 on surplus products for distribution to the needy, when \$92,000,000 worth of the same products were coming in from abroad. The statement deals fully with the statement attributed to Representative REED of New York, and gives a rather full discussion of the various commodities which have

been purchased, and how they have been affected by the reciprocal-trade agreements. I ask unanimous consent that this statement may be printed in full in the body of the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The Surplus Commodities Corporation had spent \$30,000,000 on surplus products for distribution to the needy when \$92,000,000 worth of the same products was coming in from abroad.

Mr. REED was doubtless referring to the tabulation introduced by him during the hearings before the Committee on Ways and Means of the House of Representatives on the extension of the Reciprocal Trade Agreements Act (vol. I, p. 469). That table includes 20 products (fish, apples, beets, cabbage, carrots, cauliflower, celery, cheese, eggs, grapefruit, grapes, milk, canned peas, dried peas, fresh peas, potatoes, raisins, rice, tomatoes, and wheat cereal), which the Federal Surplus Commodities Corporation purchased at some time during the 2 fiscal years, 1937-38 and 1938-39.

An examination of the actual situation with respect to each of these commodities, as regards the relation between duty reductions under the trade agreements and purchases by the Federal Surplus Commodities Corporation, reveals the following two facts:

(a) With few exceptions, duty reductions have not coincided with Federal Surplus Commodities Corporation purchases, either because they applied to quite different commodities or because they were in effect at wholly different times of the year.

(b) The few exceptions relate to certain products on which United States duties were reduced in the trade agreements with Canada. By the terms of those agreements, Canada granted to the United States as great (or greater) reductions in the Canadian duties on these same products imported into Canada from the United States as were granted by the United States to Canada. Moreover, since the United States regularly exports larger quantities of each of these products to Canada than Canada exports to the United States, the net result of the reciprocal reductions was to reduce the domestic surplus with which the Federal Surplus Commodities Corporation had to cope.

In general, it may be said that the presentation of this material has provided an excellent illustration of the great care that has been taken in the trade-agreements program to prevent duty reductions on farm products from harming domestic producers. A statement of the specific commodity situations involved is presented in the following paragraphs.

Importations of fish and cheese accounted for over 90 percent of the total imports (\$83,843,000 out of \$92,298,000). The total purchases by the Federal Surplus Commodities Corporation of these two products amounted to approximately \$740,000, as compared with total purchases of approximately \$30,000,000. Purchases of fish were made only in the month of June 1938, because of a temporary emergency situation following record fish runs in that year. Nearly 75 percent of the total imports of cheese into the United States during the past 2 fiscal years came from Italy, Switzerland, the Netherlands, and France. The types of cheese imported differ from those produced domestically and are brought in to meet particular consumer demand. Purchases of cheese by the Federal Surplus Commodities Corporation were limited to the average type American cheddar cheese, and were made only in the month of June 1938.

The remaining imports included 18 commodities and totaled in value approximately \$8,500,000. Imports of 11 of these 18 commodities were nonexistent or negligible. For example, the importation during 2 years of 52,000 bushels of apples, a half ton of beets, 170 tons of cabbage, 135 tons of carrots, 20 tons of cauliflower, and 96,000 pounds of celery is listed. No one of these is equivalent to one-tenth of 1 percent of our domestic production. The importation of 22,000 gallons of milk is listed, as well as 430 tons of raisins. The more substantial items included are 110,200,000 pounds of cheese valued at about \$24,000,000; 65,800,000 pounds of fish valued at \$60,300,000; about \$1,000,000 worth of grapes; 137,000,000 pounds of rice; and 121,000,000 pounds of tomatoes valued at \$2,600,000.

It is apparently assumed that the purchases of these commodities would have been unnecessary if they had not been imported. The facts are as follows:

The small quantities of vegetables enumerated which had an aggregate value of less than \$15,000 in 2 years practically all came into the country when domestic supplies were out of season. This is also true of the larger item, fresh tomatoes, though even the imports, which came in mainly during December, January, and February of the 2 years, were equal to 1 percent of our own domestic supplies.

The grapefruit imports valued at \$155,000 in the 2 years may be compared with a farm value of fifteen to twenty-one million dollars for the United States crop. Grapefruit production has been expanding very rapidly. In 1938, for example, it was over twice the size of the 1936 crop. It is this factor that has necessitated Federal aid to the industry. I am extremely doubtful that the exclusion of a few thousand boxes with production in excess of 40,000,000 boxes would be of any benefit to producers and it would be unfortunate for the few consumers who can afford to buy grapefruit out of season. The same statement is applicable to the negligible imports of fresh peas, principally from Mexico, the small amount of table grapes from Argentina, Chile, and the Union of South Africa reported principally from March until May.

Imports of raisins into the United States, which have been declining each year since 1930, are made up almost entirely of fancy pack, high-grade cluster raisins intended for the holiday trade.



Purchases by the Federal Surplus Commodities Corporation have consisted of the ordinary seedless or muscat raisins of which approximately 25 percent of the annual United States supplies are exported.

Approximately 90 percent of the United States imports of milled rice, mentioned by Representative REED, consist of broken rice, of which the bulk comes from the Netherlands and Belgium. The particular type of broken rice imported is a byproduct of the milling of rice for human consumption and includes only the smallest size screenings. This rice is utilized almost entirely by brewers who mix it with malt in order to produce a lighter beer. The type of rice acquired by the Corporation is similar to that which was exported during the 1938 fiscal year in quantities four times as great as the quantities of broken rice imported during the same period.

Of the white potato imports into the United States mentioned by Representative REED, approximately 95 percent are certified seed potatoes which are not intended for human consumption. The imports of potatoes for consumption are negligible. All potatoes purchased by the Corporation have been distributed for consumption by needy unemployed families on relief.

Mr. VANDENBERG. Mr. President, I wish to thank the Senator from Georgia for finally obtaining the correct figures in connection with this conundrum. I myself have been seeking them for some time, and I am sure his report is now accurate.

The report shows that the Federal Surplus Commodities Corporation spent \$30,000,000 to help reduce surpluses in commodities which had \$92,000,000 worth of exports. So the net result of the expenditure from the Treasury under the Federal Surplus Commodities Corporation was merely to pay for about a third of the imports, which it seems to me is a thoroughly ludicrous and incongruous situation.

As I glance through the letter presented by the able Senator from Georgia the response is that there are compensating exports in these same crops. However, the fact remains that we confront the interesting picture that one branch of the Government is seeking to relieve surplus burdens in farm commodities while those same farm commodities are coming in competitively from abroad. Meanwhile another department of the Government is making trade treaties further reducing the tariffs upon every one of the items to which the Senator from Georgia's statement refers.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. PEPPER. A number of Senators on this side of the aisle, including myself, are interested to know whether or not the Senator would mind enumerating the commodities to which he refers, if he has the information available.

Mr. VANDENBERG. I shall be very happy to do so if the Senate wishes to take the time. The commodities are: Apples, beets, cabbage, carrots, cauliflower, celery, cheese, eggs, fish, grapefruit, grapes, milk, peas, potatoes, raisins, rice, and tomatoes.

Mr. AUSTIN. Mr. President, will the Senator yield for a question?

Mr. VANDENBERG. I yield.

Mr. AUSTIN. Has the Senator from Michigan seen the monthly export and import report, No. 239, issued February 3, 1940, by the United States Department of Agriculture, Agricultural Marketing Service, relating to exports of dairy products, oleomargarine, and eggs from the United States for the month of December 1939, as well as the imports of dairy products and eggs for the same month?

Mr. VANDENBERG. I have not seen the report.

Mr. AUSTIN. I think it furnishes a very striking illustration of the point the Senator has made.

Mr. VANDENBERG. I suggest that the Senator put it in the RECORD.

Mr. AUSTIN. I do not wish to part with the copy of the report which I have, because I wish to make use of it within the next few days. However, if I can find another copy I shall be glad to put it in the RECORD later.

Mr. VANDENBERG. I thank the Senator.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. SCHWELLENBACH. I was not able to follow the entire list of commodities which the Senator read, but as I understood the first item he read was apples.

Mr. VANDENBERG. Yes.

Mr. SCHWELLENBACH. Does the Senator contend that the apple industry has not benefited as a result of the reciprocal trade agreement policy?

Mr. VANDENBERG. Mr. President, that is entirely beside the point. I am not arguing that question. I am arguing the point that the Federal Surplus Commodities Corporation is using its funds to reduce surpluses—I will give the Senator the figures. Four million nine hundred and seventy-eight thousand dollars was spent to help reduce the surplus in apples, while 52,000 bushels of apples were coming in as imports. Meanwhile the reciprocal-trade treaties in respect to apples are reducing the tariffs from 25 cents a bushel to 15 cents a bushel through the Canadian agreement.

Mr. SCHWELLENBACH. Will the Senator add what I think is a very essential point—the extent to which the apple industry has benefited as a result of having opened up for it markets in Belgium, Holland, France, England, and other countries through the medium of the agreements which were made with those countries?

Mr. VANDENBERG. I stated at the outset of my observations that the rebuttal is that there is an export offset. I do not have the export figures. I am commenting only upon the exhibit submitted by the able Senator from Georgia [Mr. RUSSELL].

Mr. SCHWELLENBACH. Mr. President, it seems to me that the statement by the Senator from Michigan pretty well goes to the crux of the matter. It is all very well to leave out the important part of any figures. I do not care to enter into an argument about reciprocal-trade agreements in general; but I know that if there is any group in my State which is anxious for the continuation of the trade-agreements program, it is those who are engaged in the production of apples. I think the Senator from Michigan made an unfortunate choice when he started the list with apples, because apple producers have benefited very materially as a result of the program.

Mr. THOMAS of Idaho. Mr. President—

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Idaho?

Mr. VANDENBERG. I shall be glad to yield in just a moment.

Mr. President, I chose no example. "Apples" happens to begin with "A," and it is the first commodity on the list. I read the list to the Senator from Florida in response to his inquiry. I trust I was justified in showing him that courtesy.

The reciprocal-trade treaties enter into this particular argument only incidentally. I was dealing with the contemplation—fundamentally involved in the pending bill—that in 1938 and 1939 we spent \$30,000,000 of Federal Surplus Commodities Corporation money to reduce surpluses, to which imports of \$92,000,000 in the same commodities contributed. It does not seem to me to make sense.

Mr. THOMAS of Idaho and Mr. SCHWELLENBACH addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Michigan yield, and if so, to whom?

Mr. VANDENBERG. I must first yield to the Senator from Idaho. Then I will yield to the Senator from Washington.

Mr. THOMAS of Idaho. Mr. President, just a moment. It might be interesting to state that since that treaty was ratified, England has issued an embargo on the shipment of apples; and I suspect that the apple growers of Washington and Idaho are not so happy about the situation today.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. SCHWELLENBACH. What the Senator from Idaho says is correct. It has resulted in a feeling of dissatisfaction

upon the part of our people so far as England is concerned. That is a matter of foreign relations which I do not think it is necessary to consider here; but the point the Senator from Michigan makes is that we are making a mistake in appropriating money for the Surplus Commodities Corporation to purchase surpluses in this country because of the fact that in the case of certain of these commodities we are permitting imports. I am speaking purely of apples because that is the only item on the list that I understood the Senator to refer to, the first one that I happened to hear. But if, as a result of this program, we have increased the exports by ten times the amount of the imports that come in, certainly it is no argument against this item in the agricultural appropriation bill to object to that, if we get 10 to 1. It cannot be used as an argument against our taking some of the money to take care of the surplus. Had it not been for the program of the reciprocal-trade agreements, the surplus of apples which would necessarily have been taken care of out of appropriations in this bill would probably exceed by 10 times the amount which is actually necessary in this bill.

Mr. VANDENBERG. Mr. President, I do not wish to have the Senator from Washington put into my mouth words which attribute to me a purpose which I do not hold in connection with this discussion.

I happen to favor the appropriation for the Federal Surplus Commodities Corporation, and have repeatedly so stated. The purpose of this observation has nothing to do with the fundamental idea of reducing surpluses in this fashion. I submit, however, that if we are to reduce surpluses in this fashion, we should do equally well for agriculture if we were to prohibit competitive imports whenever there is any agricultural surplus in this country.

Mr. AUSTIN. Mr. President, in view of the debate which has occurred I think I will change my plan as originally stated, and have inserted in the RECORD at this point, with the permission of the Senate, Report No. 239, issued February 3, 1940, by the United States Department of Agriculture, relating to imports and exports of dairy products, oleomargarine, and eggs, distinctly and clearly showing an excess of imports over exports, and raising the perfectly natural query how much of these imports had to be absorbed by the Federal Surplus Commodities Corporation. I should like to have this original document returned to me tomorrow, if convenient.

The PRESIDING OFFICER. The Senator from Vermont asks unanimous consent that there may be incorporated in the RECORD at this point the report of the Department of Agriculture indicated by him. Is there objection?

Mr. LUCAS. Mr. President, reserving the right to object, I should like to ask one question about the exhibit. I am not sure that I understand just what the exhibit is; but, from the remarks made by the able Senator from Vermont, I was under the impression that he was giving to the Senate and the country a statement of the exports and imports for only 1 month. Am I correct in that understanding?

Mr. AUSTIN. No; I notice that there is a summary for more than the month of December, but the detail relates to the month of December 1939. Here is a line giving the figures for January to December, inclusive, 1939; and here is another line giving the figures for January to December, inclusive, 1938. So, it is clear that the report also includes a summary of the year. The table is endorsed:

(These export and import statistics are compiled from official records of the Bureau of Foreign and Domestic Commerce and are subject to revision.)

Mr. LUCAS. Mr. President, I am not going to make any objection to the introduction of the exhibit; but I want to corroborate the observation made by the able Senator from Washington [Mr. SCHWELLENBACH] just a few moments ago with respect to the introduction of statistics of this kind. I am not complaining at all; but it only goes to show that when we take the statistics for just 1 month, or 2 months, or any portion of the year, and attempt to explain to the

people something definite with respect to how these reciprocal-trade agreements are working, it seems to me that the statistics do not present the true picture.

One of the things I have constantly complained about in connection with the reciprocal-trade agreements is the statistics that have been introduced into the CONGRESSIONAL RECORD from time to time. I do not say that any Senator or any Member of the House introduces them with other than the best of intentions from his viewpoint; but it seems to me that figures and statistics in connection with this very important program should be somewhat all-inclusive, and represent a distinct period of a few years, rather than any particular month or any particular section of the year, in order really to demonstrate how the agreements may or may not work.

Mr. AUSTIN. Mr. President, I rise only to observe that my purpose in offering this exhibit was rather limited; but if any inference can be made that helps on the issue relating to trade agreements, I am glad to have the exhibit used for that purpose. So far as my offer went, it is not subject to the criticism suggested by the very learned Senator from Illinois.

The PRESIDING OFFICER. Is there objection to printing in the RECORD the table referred to by the Senator from Vermont?

There being no objection, the table was ordered to be printed in the RECORD, as follows:

*Monthly export and import report No. 239*

EXPORTS OF DAIRY PRODUCTS, OLEOMARGARINE, AND EGGS FROM THE UNITED STATES FOR MONTH OF DECEMBER 1939

[U. S. Department of Agriculture, Agricultural Marketing Service]

Destination	Butter	Oleomargarine <sup>1</sup>	Cheese	Processed cheese and cheese spreads	Eggs in shell
	Pounds	Pounds	Pounds	Pounds	Dozens
Europe: Miscellaneous.....	275		60		
North America:					
Bermuda.....	108	14,012		248	15,898
Canada.....	20		3,380	1,061	85
Newfoundland and Labrador.....					6,600
Miscellaneous.....		12			
Central America:		150			
British Honduras.....	209		358	200	630
Costa Rica.....	351		77	804	
Guatemala.....	3,913		214	2,767	
Honduras.....	2,608		156	627	312
Nicaragua.....	208		90	474	270
Panama:					
Canal Zone.....	45,990	3,530	296	26,817	138,910
Republic of.....	1,326	12,850	2,453	5,682	19,500
Miscellaneous.....				60	
Mexico.....	12,212	630	9,038	977	47,722
West Indies:					
Cuba.....			3,931	3,859	94
Jamaica.....	110		255	160	6,480
Netherlands West Indies.....	15,476	16,085	825	10,465	30,188
Republic of Haiti.....	8,999	5,507	2,353	5,142	
Other British West Indies.....	1,534	169	1,631	1,318	8,691
Trinidad and Tobago.....	36			205	390
Miscellaneous.....	122		666	338	
South America:					
Bolivia.....			150	392	
Colombia.....	3,845		1,612	497	
Peru.....				1,804	
Surinam.....	17,035		66		6
Venezuela.....		2,042		12,745	1,398
Miscellaneous.....	447			200	
Asia:					
Hong Kong.....	405				
Netherlands India.....	992				
Miscellaneous.....				420	
Oceania:					
French Oceania.....			266	105	
Philippine Islands.....	2,334		2,000	13,473	30,002
Africa:					
Liberia.....	540				60
Miscellaneous.....	346			288	
Total, December 1939.....	119,441	52,945	31,919	91,188	307,176
Total, December 1938.....	159,787	6,786	70,864	61,794	201,314
January to December (inclusive) 1939.....	2,307,946	264,292	503,044	976,645	2,696,826
January to December (inclusive) 1938.....	1,958,783	235,376	795,242	685,701	2,092,419

<sup>1</sup> Includes both animal and vegetable oil products.

No exports of casein.



## Monthly export and import report No. 239—Continued

## IMPORTS OF DAIRY PRODUCTS AND EGGS

	December		January to December (inclusive)	
	1939 <sup>1</sup>	1938 <sup>2</sup>	1939 <sup>1</sup>	1938 <sup>2</sup>
Butter.....pounds..	74,790	72,646	1,106,856	1,623,606
Cheese:				
Swiss:				
Emmentaler, with eye formation.....pounds..	292,531	332,755	10,558,565	9,903,828
Gruyère.....do..	272,873	349,732	3,582,624	3,413,644
Blue mold (original loaves).....pounds..	273,320	272,644	3,264,559	3,376,101
Cheddar (original loaves).....pounds..	340,632	31,048	6,352,255	1,817,948
Edam and Gouda.....do..	220,916	139,689	2,815,331	4,162,134
Provoloni and provolette.....pounds..	42,178	252,232	3,291,929	5,109,892
Reggiano or parmesan.....do..	174,423	232,632	2,435,541	1,567,445
Romano or pecorino.....do..	943,783	1,265,847	16,056,237	15,518,604
Roquefort.....do..	357,593	440,372	2,973,937	2,394,247
Other.....do..	559,300	766,367	7,740,081	7,168,027
Total all cheese.....	3,477,549	4,083,318	59,071,059	54,431,870
Milk.....gallons..	16	53	22,056	6,008
Cream.....do..	43	20	1,031	4,959
Condensed milk.....pounds..	28,641	123,821	222,140	734,612
Evaporated milk.....do..	0	96	6,611	4,847
Dry whole milk.....do..	0	794	3,141	52,687
Dry skim milk.....do..	22,148	0	864,936	3,484
Dry cream.....do..	0	0	0	0
Dry buttermilk.....do..	134,000	0	1,586,800	0
Casein.....do..	3,389,562	56,021	15,832,462	417,366
Eggs in shell.....dozen..	29,746	21,824	328,523	231,784
Whole eggs:				
Dried.....pounds..	11,500	32,500	61,500	204,815
Frozen.....do..	0	0	420	938
Yolks:				
Dried.....do..	54,450	23,800	682,805	237,519
Frozen.....do..	0	10,380	25,330	487,010
Egg albumen:				
Dried.....do..	46,700	88,000	500,479	718,346
Frozen.....do..	0	0	0	30

<sup>1</sup> Includes only imports for immediate consumption and withdrawals from bonded warehouses for consumption.

<sup>2</sup> Revised.

## Exports, December 1939

Destination	Condensed milk	Evaporated milk	Dry milk	
			Whole	Skim
Europe:	Pounds	Pounds	Pounds	Pounds
Greece.....			360	
Italy.....			750	
United Kingdom.....		468,000		
North America:				840
Canada.....	503			
Miquelon and St. Pierre.....		2,350		
Newfoundland and Labrador.....		4,329	285	
Central America:				
British Honduras.....	144	1,720		
Costa Rica.....	22,598	28,645	7,294	2,850
Guatemala.....	9,408	17,686	3,897	
Honduras.....	8,939	7,318	3,692	
Nicaragua.....	62	2,450	98	
Panama:				
Canal Zone.....	7,655	345,500	18,606	3,100
Republic of.....		504	7,803	10,750
Mexico.....	80	57,134	7,383	2,700
West Indies:				
Barbados.....			324	
Bermuda.....		2,893		
Cuba.....		4,350	256	600
Dominican Republic.....	420	248	1,181	
Jamaica.....	425	1,065	114	2,400
Netherlands West Indies.....	9,631	124,500	9,087	1,400
Other British West Indies.....	210	5,403	765	200
Republic of Haiti.....	2,436	9,493	716	
Miscellaneous.....			583	
South America:				
British Guiana.....		833	330	
Bolivia.....		51,357	4,560	
Chile.....		87	1,440	
Colombia.....	4,892	51,692	19,758	4,053
Ecuador.....	350	17,666	889	
Peru.....	2,100	23,775	4,467	
Surinam.....		1,359	12	
Uruguay.....	2,100	2,150		
Venezuela.....	10,586	40,752	251,161	4,334
Miscellaneous.....			96	

## Exports, December 1939—Continued

Destination	Condensed milk	Evaporated milk	Dry milk	
			Whole	Skim
Asia:	Pounds	Pounds	Pounds	Pounds
Burma (British).....			522	
British India.....		17,943	240	
British Malaya.....		5,250	5,236	
China.....		49,343		33,000
Hong Kong.....		317,988	640	
Iran (Persia).....			40,063	
Netherlands India.....		368,024	11,180	
Other Asia.....	336	870		
Palestine.....	21	43	500	
Saudi Arabia.....		10,000		
Thailand.....			2,394	
Miscellaneous.....		200	451	
Oceania:				
Philippine Islands.....	38,150	568,460		58,000
French Oceania.....	24	348		
Miscellaneous.....	90	88		
Africa:				
Belgian Congo.....			22,414	10,300
British East Africa.....			1,340	
Egypt.....			50	
Gold Coast.....			1,640	
Liberia.....		2,800	792	
Nigeria.....			3,397	
Other British West Africa.....			525	
Other French Africa.....			1,502	
Union of South Africa.....			96	
Total, December 1939.....	121,160	2,614,646	438,889	134,527
Total, December 1938.....	355,335	2,197,767	424,467	124,190
January to December (inclusive) 1939.....	2,269,012	27,496,838	6,260,155	2,096,905
January to December (inclusive) 1938.....	5,427,081	23,697,848	3,819,418	6,372,236

(These export and import statistics are compiled from official records of the Bureau of Foreign and Domestic Commerce and are subject to revision.)  
Issued Feb. 3, 1940.

## CENSUS QUESTIONNAIRES

Mr. TOBEY. Mr. President, I desire at this time to give notice that upon completion of the consideration of the pending legislation I shall seek to have Senate resolution 231, known as the census resolution, become the pending business before the Senate, especially in view of the fact that on April 1 the census takers will begin their enumeration.

The Committee on Commerce has filed a report today giving the green light to this resolution. Therefore, in view of what I have explained, I ask the majority leader if he will not use his high office and his great influence and join me in bringing Senate resolution 231 before the Senate immediately at the conclusion of the consideration of the pending measure.

Mr. BARKLEY. Replying to the Senator from New Hampshire, my answer would be "No." It has been planned for some weeks to take up the trade-agreements bill as soon as the agricultural appropriation bill is out of the way, and I do not think the Senator's resolution or any other legislative matter should intervene before that measure is taken up for consideration. The trade-agreements bill has been put off. It was reported nearly 2 weeks ago by the Committee on Finance, and I could not consent to the taking up of the Senator's resolution, or any other measure, in advance of that, because it has been understood from the beginning that it would follow the pending bill. I feel that I must be frank with the Senator.

Mr. TOBEY. I want the Senator to be very frank with me, and I will be so with him.

Mr. BARKLEY. I cannot cooperate with him for the purpose of having his measure injected ahead of the trade-agreements bill.

Mr. TOBEY. I point out to the majority leader that the trade agreements to which he refers, and the measure covering which he would have take precedence over anything else

at this time, will not expire until June 12, whereas the taking of the census will start on the 1st of April. He who runs may read the import of that statement.

I will go a little further and inform the Senator from Kentucky, the majority leader, of the statement made in a press interview by a member of the Committee on Commerce a few days ago. This was a statement by one who fought the resolution in committee, as was his privilege and right, and I honor him for doing it, because he thought it was wrong. However, after the committee had voted to report the resolution he gave to the press this statement:

I will use every effort in my power to see that Senate Resolution 231 does not have a chance to get to the Senate floor.

I say to the majority leader that that is not a combination in restraint of trade, but it may well be a combination in restraint of good legislation, and I speak by the card when I say to him and to this honorable body that if I ever knew of righteous indignation in the *n*th degree, I know it has been expressed all over this country, from the Atlantic to the Pacific, from the Gulf of Mexico to Canada, over the questions to be asked in the coming census, and if there is to be any cutting off of an opportunity to present this matter, or any ganging up against it, those responsible will not have to answer to me, but they will have to answer to the people of this country, regardless of party.

Mr. BARKLEY. I do not know what the Senator means by that, but so far as I am concerned, I am perfectly willing to answer to anyone, including himself, for my attitude in the matter which he has brought before the Senate at this time. I have no way of identifying the committee member who voted against the resolution in the committee a few days ago, and who is threatening to use all legislative means to prevent it coming before the Senate. I do not know anything about that. I did not see the article referred to, and I do not know whether it is an accurate quotation of the Senator referred to or not. But regardless of all that, I realize the interest of the Senator from New Hampshire in this proposal. He has whipped up a lot of furor and fuss about it, and I can understand how he desires to continue to agitate it here, and probably get a vote on it. But, as I stated a few minutes ago, it has been understood for 2 weeks at least, even before the committee reported the trade-agreements bill, that it would follow the agricultural appropriation bill. As a matter of fact, the Senator from Mississippi [Mr. HARRISON] has been waiting patiently to have his bill considered, and was waiting even before the agricultural appropriation bill was taken up. No one knows how long the consideration of that bill will take. If there are any amendments added to it, of course, it will have to go to conference.

Mr. TOBEY. I make the prediction that I think it will take to April 2, so as to shut off consideration of the census resolution.

Mr. BARKLEY. The Senator may contribute to its being delayed that long, but I have no reason to believe that the trade-agreements bill should take more than a week. It should not take longer than that. So far as the debate is concerned, I do not see why it should take longer than 1 week.

Mr. TOBEY. Then, at the end of 1 week, if I make the request of the Senator, assuming he is correct, will he join me in taking up Senate Resolution 231, or giving it the "green light"?

Mr. BARKLEY. I will cross that bridge when I come to it. I do not desire to pledge myself as to what bill may come up. The Senator may get his measure brought up and get a vote on it; but I do not wish to say now what my attitude will be in the future.

Mr. TOBEY. What does the Senator say to my suggestion that the present reciprocal-trade agreements will continue, under the statute, until June 12?

Mr. BARKLEY. I realize that.

Mr. TOBEY. And the enumerators will begin to take the census April 1, only about 10 days from now.

Mr. BARKLEY. I may say, also, that the Secretary of Commerce has provided a way by which anyone who objects to answering certain questions may mail in his answer. Everyone knows those answers are not to be made public. If anyone dislikes to tell his neighbor, who may happen to be an enumerator, whether he made over \$5,000 last year or not, he may mail a confidential letter to the Secretary of Commerce imparting that information, and it will, of course, be kept confidential.

Mr. TOBEY. The Senator is entirely wrong in his conclusion, because his premise is wrong. The proposition made by the distinguished Secretary of Commerce, Harry L. Hopkins, as a compromise, or a way out of this thing, is not, as the Senator has stated, that the answer is to be put into an envelope and to be mailed in, but his answer is to be put in an envelope and handed to the census enumerator.

Mr. BARKLEY. It is to be mailed in.

Mr. TOBEY. I do not know whether it is or not. But there may be written on the back of the envelope "John Jones" or "Mary Quinn."

The Senator has brought out a point which I shall answer. He states that a compromise has been offered. Let me say that the report filed today by the distinguished Senator from North Carolina [Mr. BAILEY], chairman of the Committee on Commerce, states it as the opinion of the committee that these questions as to income are not legal under the statute. Therefore that is the opinion of the committee which has been considering the resolution, plus the talk among ordinary citizens, in cumulative form, and if the questions are not legal according to common report, and the report of the committee, that should be the end of the whole thing, and it follows that the questions as to income should be deleted, being outside the law.

Mr. BARKLEY. I do not care to comment on the legality of the questions at this time. The Solicitor for the Department of Commerce, in what seemed to me to be a very able opinion, held that they were legal.

I have heretofore stated that one of the questions that was asked of every farmer in the United States related to his indebtedness, to his income, and to the number of mortgages on his property. I do not recall that the law specifically sets out that kind of questions, but those questions were asked and answered, and no one raised any criticism about it. But I do not care to go into that. I suppose it will be gone into when the matter is brought up.

Mr. LEE. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. LEE. Would not April 1 be an appropriate day on which to take up the Tobey resolution? [Laughter.]

Mr. BARKLEY. Very likely; but I do not care even to commit myself irrevocably to that until I come to it.

Mr. TOBEY. I say to the Senator from Oklahoma that wisecracks may be in order, but you cannot laugh this thing off.

Mr. BARKLEY. Mr. President, if wisecracks are not in order, I move that we take a recess.

Mr. TOBEY. I thought I had the floor.

Mr. BARKLEY. I had yielded to the Senator.

Mr. TOBEY. I beg the Senator's pardon. If I am out of order, I will take my seat.

Mr. BARKLEY. I thought the Senator had concluded.

Mr. TOBEY. I desire to make a sporting proposition to the Senator from Kentucky. [Laughter.] In view of the alleged fact that it is important that the reciprocal-trade agreements be acted on, I make this proposition—let the Senator and me agree right now, before this body, that we will give up 1 day to considering Senate Resolution 231—and only 1 day—and at the conclusion of 4 hours' debate vote on it. That is a sporting proposition. Will the Senator agree?



Mr. BARKLEY. I think the Senator's resolution, like many other measures on the calendar, should take its regular course. I do not care to enter into any agreement now about it.

If the Senator has concluded—

Mr. TOBEY. The Senator from New Hampshire will not be through until he gets Senate Resolution 231 on the floor and gets a vote on it. He is not representing his party, but is a witness to the manifestations of the righteous indignation of the people all over the country, thousands and thousands of them.

Mr. BARKLEY. That may be open to question, but I do not care to debate that at this time.

#### EXECUTIVE SESSION

Mr. BARKLEY. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

#### EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. O'MAHONEY in the chair) laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

#### EXECUTIVE REPORTS OF COMMITTEES

Mr. WAGNER, from the Committee on Banking and Currency, reported favorably the following nominations under the Farm Credit Administration:

Roy M. Green, of Kansas, to be land bank commissioner; and

Carl R. Arnold, of Ohio, to be production credit commissioner.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

Mr. SHEPPARD, from the Committee on Military Affairs, reported favorably the nomination of several officers in the Regular Army to be assistants to the Quartermaster General, with the rank of brigadier general, for a period of 4 years from date of acceptance, and also the nomination of Brig. Gen. Raymond Hartwell Fleming, Louisiana National Guard, to be brigadier general, National Guard of the United States.

He also, from the same committee, reported favorably the nomination of Capt. Walter Grant Bryte, Jr., Air Corps, for appointment to temporary rank from March 11, 1940, as major in the Air Corps, Regular Army, under the provisions of law.

He also, from the same committee, reported favorably the nominations of sundry officers for promotion in the Regular Army.

Mr. McCARRAN, from the Committee on the Judiciary, reported favorably the following nominations:

David A. Pine, of the District of Columbia, to be an associate justice of the District Court of the United States for the District of Columbia, vice Joseph W. Cox, deceased; and

Edward M. Curran, to be United States attorney for the District of Columbia, vice David A. Pine, who has been nominated to succeed the late Joseph W. Cox as an associate justice of the District Court of the United States for the District of Columbia.

Mr. McCARRAN also (for Mr. KING), from the Committee on the Judiciary, reported favorably the nomination of John E. Hushing to be United States marshal for the district of the Canal Zone.

The PRESIDING OFFICER. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will state the first nomination on the Executive Calendar.

#### THE JUDICIARY

The legislative clerk read the nomination of Roulhac Gewin to be United States marshal for the southern district of Alabama.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Henry C. Walthour to be United States marshal for the southern district of Georgia.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of John E. Sloan to be United States marshal for the western district of Pennsylvania.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

#### POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters on the calendar.

Mr. McKELLAR. Mr. President, I have been asked by the senior Senator from Kentucky [Mr. BARKLEY] to allow the nomination of Dorothy B. Keeling to be postmaster at Camp Taylor, Ky., to remain on the calendar.

I ask unanimous consent that the rest of the postmasters on the calendar be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nomination of Dorothy B. Keeling to be postmaster at Camp Taylor, Ky., will remain on the calendar.

Mr. BARKLEY. Mr. President, I will say by way of explanation that I have received a telegram asking that the nomination in question be held up until I receive a letter making some sort of protest against the nominee. I wish to see what the letter contains.

The PRESIDING OFFICER. Without objection, all the other nominations of postmasters on the calendar will be confirmed en bloc.

That completes the calendar.

#### RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 20 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, March 20, 1940, at 12 o'clock meridian.

#### NOMINATIONS

*Executive nominations received by the Senate March 19 (legislative day of March 4), 1940*

##### COLLECTOR OF CUSTOMS

Martin O. Bement, of Buffalo, N. Y., to be collector of customs for customs collection district No. 9, with headquarters at Buffalo, N. Y. Reappointment.

##### COAST GUARD OF THE UNITED STATES

The following-named persons to be officers in the Coast Guard of the United States, to take effect from date of oath:

##### TO BE CHIEF BOATSWAINS

Charles A. A. Modeer	William J. Eckel
John W. Leadbetter	Patrick H. O'Donnell
Ole J. Lilleoren	William M. Gifford
Ole Ericksen	Fritz K. Schlamp

##### TO BE CHIEF MACHINISTS

Joseph F. Lally	Frederick W. Short
Jesus Pereira	Junius H. Fulcher
Wilfred J. Kenney	Ray A. Hansberry
George A. Snow	

# CONFIRMATIONS

*Executive nominations confirmed by the Senate March 19 (legislative day of March 4), 1940*

## UNITED STATES MARSHALS

Roulhac Gewin to be United States marshal for the southern district of Alabama.

Henry C. Walthour to be United States marshal for the southern district of Georgia.

John E. Sloan to be United States marshal for the western district of Pennsylvania.

## POSTMASTERS

### CALIFORNIA

Ivy E. Reynolds, Byron.  
George W. Hull, Camino.  
Allan M. Davis, Exeter.  
Callie R. Mason, Lost Hills.  
Albert R. White, Monolith.  
Dorothy M. Montgomery, Oceano.  
Anna W. Scherrer, Placerville.  
Charles H. Hayden, San Rafael.  
Grady P. Hobson, Selma.  
William Chester Barry, Soledad.  
Harriet J. Gross, Wheatland.

### FLORIDA

Elmer L. Grantham, Archer.  
Douglas G. Perry, Avon Park.  
Schubert S. Welling, Babson Park.  
Ethel S. Pierce, Boynton.  
Beulah L. Kunberger, Florence Villa.  
Frederick F. Stump, Starke.  
Mary L. Woodmansee, Valpariso.

### KENTUCKY

Joseph V. Carder, Brownsville.  
Anna Mary Bowne, Clearfield.  
Lester Jeter, Hustonville.  
Milton R. Snyder, Jr., Milton.  
Robert J. Walker, Paint Lick.  
Everett T. Breen, Stamping Ground.

### LOUISIANA

Kenneth B. Anderson, Bogalusa.

### MARYLAND

John W. L. McAvoy, Boonsboro.  
Charles P. Anger, Garrison.  
William D. Lovell, Jr., New Windsor.  
Levin D. Lynch, Ocean City.  
Clarence H. Chute, Pasadena.  
Maurice T. Truitt, Pittsville.  
Edward L. Bachtell, Smithsburg.  
John O. Crapster, Taneytown.

### NEW HAMPSHIRE

Ambrose P. McLaughlin, Bretton Woods.  
Carl D. Roche, Keene.  
Norman E. Perkins, Sunapee.  
J. Arthur Lemaire, Suncook.

### NEW MEXICO

Martin Baca, Belen.

### OKLAHOMA

Belle Huntington, Luther.  
Joseph L. Pryor, Olustee.  
Albert M. Lewis, Stuart.  
Rennie Alvin Bolar, Waynoka.

### PENNSYLVANIA

Arthur R. Cramer, Bangor.  
John J. Verbos, Steelton.

### SOUTH DAKOTA

Amelia L. Rositch, Bowdle.  
Bastian J. Kallemeyn, Hayti.

## WEST VIRGINIA

Sally D. Lyon, Boomer.  
James T. Murphy, Grafton.  
Charles H. Corman, Spring Hill.  
Joseph F. Graham, Tunnelton.

# HOUSE OF REPRESENTATIVES

TUESDAY, MARCH 19, 1940

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, our most merciful Father, we rejoice that the night is not eternal and when it is gone there comes another day bringing with it a new, glad morning of hope and promise. O let us hear in our breasts the musings of the peace of God which passeth all understanding. Do Thou inspire us by the mercies of our Saviour to follow after love which is the soul's richest attainment and heaven's highest vocation. Knowledge may come, wisdom linger, but love never faileth. It is the oldest and the newest remedy for human ills because it is the divinest. We praise Thee that the everlasting arms are as dependable as the everlasting hills and humanity's hopes are realized in a dateless Christ. As heirs of an ageless kingdom, we look up to Thee with gratitude and praise. O Thou, who whispereth through the worlds of space, let us hear the music we hope to sing. In our Redeemer's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

## MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate insists upon its amendments to the bill (H. R. 8641) entitled "An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1940, to provide supplemental appropriations for such fiscal year, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ADAMS, Mr. GLASS, Mr. McKELLAR, Mr. HAYDEN, Mr. BYRNES, Mr. HALE, and Mr. TOWNSEND to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 3046. An act to extend to certain officers and employees in the several States and the District of Columbia the provisions of the act entitled "An act to prevent pernicious political activities," approved August 2, 1939.

## ROLAND HANSON

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1160) for the relief of Roland Hanson, a minor, and Dr. E. A. Julien, and insist on the amendments of the House, agree to the conference asked by the Senate, and appoint conferees.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Maryland? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. KENNEDY of Maryland, RAMSPECK, and THOMAS of New Jersey.

## WARREN ZIMMERMAN

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 4126) for the relief of Warren Zimmerman, with Senate amendments, disagree to the Senate amendments, and ask for a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Maryland? [After a pause.] The Chair